

Daily Report

China

Daily Report China

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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General

China's 1992 Diplomacy 'Achieved Great Results' HK1501030493 Beijing ZHONGGUO XINWEN SHE in Chinese 1042 GMT 25 Dec 92

["Yearend special contribution" by staff reporter Li Wei (2621 0251): "China's Diplomacy in 1992 Viewed From Foreign Minister Qian Qichen's Overseas Visits"]

[Text] Beijing, 25 Dec (ZHONGGUO XINWEN SHE)—China's diplomacy was full of dynamism in 1992, and achieved great results. This year, China established diplomatic relations with 15 countries, including Israel, the ROK, and various CIS countries; received 35 heads of state and government leaders from foreign countries; and arranged the visits by Chinese leaders to 48 countries.

What were the guidelines of China's diplomatic work? What are its key points? Considering the foreign visits made by State Councillor and Foreign Minister Qian Qichen this year, people may have a clearer idea about these questions.

Qian Qichen made frequent foreign visits this year. The number of missions and the number of countries he visited this year were both larger than in previous years. The countries he visited were quite representative. This year, he accompanied General Secretary Jiang Zemin of the CPC Central Committee to visit Japan; he accompanied PRC President Yang Shangkun to visit three North African countries—Morocco, Tunisia, and the Ivory Coast; and accompanied Premier Li Peng to visit four European countries—Italy, Switzerland, Portugal, and Spain—and to attend the summit meeting of the UN Security Council. In addition, he headed delegations to visit foreign countries in nine missions.

In January, Qian Qichen began his foreign visits and visited six African countries-Mali, Guinea, Senegal, the Ivory Coast, Ghana, and Namibia. In February, he visited Cambodia and Vietnam, and made the earliest preparations for Premier Li Peng's visit to Vietnam. In March, he visited Britain, Germany, and the EC Committee for one week. In June, he visited New Zealand and Australia. In July, he became the highest-ranking Chinese official received by Brunei, a rich ASEAN country; and then flew to Manila to attend the ASEAN foreign ministers' meeting. In September, he spent almost the whole month in foreign countries. In early September, he led a Chinese Government delegation to attend the summit meeting of the nonaligned nations in Jakarta in the capacity of an observer nation; several days later, he visited Thailand, then immediately led a delegation to attend the fourth ministerial conference on Asia-Pacific economic cooperation; in mid-September, he paid a three-day official visit to Israel, which established diplomatic relations with China in August; he then flew directly from Tel Aviv to New York to attend the 47th UN General Assembly for more than 10 days. In November, he paid a nine-day visit to four CIS

countries-Uzbekistan, Kyrgyzstan, Kazakhstan, and Russia-at the invitation of the hosts.

All this showed four characteristics in China's diplomacy this year:

First, China's diplomacy was omni-directional, and stress was laid on the neighboring countries. This year, half of the more than 30 heads of state and government leaders China received came from neighboring countries, including ROK President No Tae-u, Japanese Emperor Akihito, and Russian President Yeltsin. Their visits became the focus of the news coverage by Chinese and foreign mass media.

China stressed the neighboring countries, because China's central task was economic construction, and this needed to be guaranteed by a stable domestic situation and a peaceful international environment at its borders. Last year, senior Chinese leaders said that China witnessed the best period of its relations with neighboring countries since the founding of new China. This situation was not only maintained this year, it was further advanced.

A prominent indicator of such substantial progress was the establishment of diplomatic relations between China and the ROK and Russian President Yeltsin's visit to China. China and the ROK, which had no relations for more than 40 years, eventually recognized each other. Some foreign commentators said that this was a "change that profoundly transforms the Far East balance." Thus, China has diplomatic relations with all Asian countries. During Yeltsin's visit to China, both sides signed a joint statement which laid the foundation for relations between the two countries. Both sides affirmed that they "regard each other as friendly countries." The 24 cooperation documents marked the beginning of the "new era" in their relations as both sides indicated that they would strengthen their cooperation in all fields. This was of great significance. Foreign commentators said that "this will become a major factor that influences the international situation centered in Asia." In addition. China and ASEAN have established mutually trusted relations. Therefore, we can say that from north to south and from east to west, a stable and peaceful external environment has been formed around China.

Second, attaching importance to consolidating and strengthening China's relations with developing countries.

Continuously developing unity and cooperation with Third World countries is the basic foothold of China's independent foreign policy. The common historical experiences and the similar current situation of facing the arduous task of national reconstruction make China and other Third World countries share the same position and language. China actively supports the developing countries in their struggle to safeguard their legitimate rights and interests and to play a positive role in international affairs, and gave them material assistance within China's capacity. The Third World countries also

gave valuable support to China. In the 48th UN Human Rights Conference early this year, thanks to the resolution opposition of most developing countries, the so-called "China-Tibet situation" motion aimed at splitting China was eventually voted down.

Therefore, although China had a lot of things to do on the diplomatic front, it never neglected its relations with the Third World countries. Early next year, Qian Qichen will visit another six African countries, and this fully indicates this point.

Third, China attached importance to improving and developing relations with the Western countries.

In the contemporary world, the two major issues are peace and development. This requires that normal and good relations exist between countries in the East and in the West and between developed and developing countries. According to its own interests and the world's interests, China made great efforts to improve and develop relations with the Western countries. At the same time, the admirable high-speed development of the Chinese economy, the continuing growth of China's comprehensive national strength, and China's important role in international affairs made the Western countries feel that they must look at China with new eyes. The huge market formed by China's 1.1 billion people is a strongly attractive force to Western countries. Therefore, it was obvious that China's relations with Western countries were continuously improved and developed.

U.S. President-elect Clinton indicated that he did not want to see China isolated for political and economic reasons, and did not find it necessary to revoke China's most-favored-nation status. The German Federal Parliament recently adopted a resolution on lifting restraints over China and normalizing German-Chinese relations, and it required that economic and trade relations with China be strengthened. China's relations with North European countries have been fully restored and developed. This year, the seven major Western countries made a more positive assessment on China at their summit meeting. Most Western countries have restored their plans for offering development assistance, export credit, and commercial loans to China. A new upsurge of investmenting in China has also appeared among the industrial and commercial enterprises in the West.

Fourth, strengthening the multilateral diplomacy, and airing China's voice on various occasions of the international stage.

In early 1992, when Qian Qichen visited six African countries, he stopped over in South Africa, and held a meeting with the foreign minister of South Africa at the airport. They discussed bilateral relations and the regional situation. In October, for the first time, China received Nelson Mandela, a legendary figure in the political circles of South Africa, and treated him as a head of state. Did this indicate that China had shifted the target of establishing diplomatic relations to South Africa? Maybe—it will still take time to eventually

establish diplomatic relations between China and South Africa, but the two sides will eventually take this step, because China, as a permanent member of the UN Security Council, cannot be neglected by anyone.

In the complicated and changeable international situation, China continued to carry out its independent and peace-oriented foreign policy, adopted more flexible and pragmatic practice, and did not take the similarity or disparity of social systems, ideologies, and values as a decisive factor for relations with other countries. This was a major reason for China's substantial achievements on the diplomatic front, and it was also a major characteristic of China's diplomacy.

'Pragmatic' Diplomacy

HK1301001093 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 51, 21 Dec 92 pp 3-5

[Article by Zheng Yansi (6774 6056 1835): "1992 Witnesses China's Flexible and Pragmatic Diplomacy"]

[Text] From the beginning of the year to the end, leaders of many countries in the world visited China successively in an endless stream. This aspect of China's diplomatic activities alone already shows that China's diplomacy was full of vigor, active, dynamic, and fruitful. This also shows that China, transcending differences in social systems and ideology, made new breakthroughs and advances in developing friendly and cooperative relations with all countries in the world on the basis of the Five Principles of Peaceful Coexistence. The rich fruit of diplomatic activities created a peaceful international environment favorable to China's modernization drive and also made new contributions to the world's peace and development.

Making Friends Widely With Various Nations, Continuously Arranging Major Diplomatic Activities

In the past year, another 15 countries established diplomatic relations with China. According to the principle of not interfering in other nations' internal affairs and respecting the choices made by the people in other countries, China took the initiative in officially establishing diplomatic relations with 13 newly independent countries, including Uzbekistan, Kazakhstan, and Slovenia. While maintaining friendly relations with the Arab countries, China also realized the normalization of relations with Israel. While continuing to consolidate and develop the traditional friendship with the DPRK. China also established diplomatic relations with the ROK. So far, China has established diplomatic relations with 154 countries.

In order to increase mutual understanding and expand cooperation with various countries in the world. China actively arranged exchange visits by high-ranking officials with other countries. There was an endless stream of major diplomatic activities this year, and the intensity of such activities was unprecedented. According to incomplete statistics, from January to the present time. 35 foreign heads of state and government leaders, 11 parliamentary speakers, and dozens of vice presidents, deputy prime ministers, and foreign ministers have visited China. At the same time, Chinese party and state leaders and senior government officials at and above the ministerial level also frequently paid visits to more than 40 foreign countries in the five major continents.

Actively Carrying Out Good-Neighbor Diplomacy, Creating a Peaceful and Tranquil Surrounding Environment

Developing good-neighborly and friendly relations with neighboring countries and creating a peaceful and tranquil surrounding environment is an important aspect of China's diplomatic work. At present, China's surrounding environment is situated in its best period since the founding of New China.

At present, China is making substantial progress in developing friendly political relations and economic and trade exchanges and cooperation. In Northeast Asia, there are friendly and cooperative PRC-DPRK relations. President No Tae-u visited China, and PRC-ROK relations further developed. President Yeltsin will soon visit China, and Sino-Russian relations will further develop in depth on a new basis. This year marked the 20th anniversary of the normalization of Sino-Japanese diplomatic relations. General Secretary Jiang Zemin and Chairman Wan Li successively visited Japan, and Japanese Emperor Akihito visited China. Sino-Japanese relations advanced more stably. Premier Li Peng paid an official friendly visit to Vietnam, and that was the first visit by a Chinese premier to Vietnam in the last 21 years. The visit was completely successful, and it was not only of great significance for promoting the sustained development of Sino-Vietnamese relations, but also produced a positive influence on peace and stability in this region. In Southeast Asia, China's relations with ASEAN have entered a new stage of full-scale development. This year, President Yang Shangkun visited Indonesia, Malaysia, Singapore, and Thailand. Foreign Minister Qian Qichen, who is also a state councillor, visited Brunei and the Philippines and also attended the 25th ASEAN ministerial meeting and held dialogue and consultations with the foreign ministers of the six ASEAN countries. They reach a consensus of opinion on many major international and regional issues. China's traditional friendly and cooperative relations with Pakistan and other South Asian countries continues to be consolidated and developed, and China's relations with India were further improved. China's good-neighborly and friendly relations with Kazahkstan, Kirghizstan, and Tadzhikstan in Central Asia made satisfactory developments too.

This year, China strove to solve existing border problems with a small number of neighboring countries and took this as an important link in efforts to create a peaceful surrounding environment. Positive progress was made in this regard. In particular, border problems with Laos have been completely and satisfactorily solved.

This year, China continued to make unremitting efforts to eliminate hot spots in Asia and ease the regional situation. On the Cambodian issue, China made positive contributions to promoting various sides in Cambodia to fully implement the Paris Agreement and realize national reconciliation. China also actively promoted the development of the situation in the Korean peninsula towards an orientation of peace and stability and supported efforts by the north side and the south side of Korea to remove their differences through dialogue and consultations and to realize peaceful national reunification on the basis of independence and self-determination.

China attached great importance to peace and stability in the Asia-Pacific region. The Nansha Islands [Spratlys] have been Chinese territory from ancient times. In order to maintain peace and stability in the Nansha area and in the Asia-Pacific region as a whole, we expressed willingness to peacefully solve territorial disputes with the relevant countries through consultations and negotiations without resorting to force. China's proposal to "shelve disputes and arrange joint development" won understanding and appreciation from most of the countries concerned.

China solemnly refuted the fallacy that China would "fill the vacuum" in the Asia-Pacific region, and reiterated that China opposes hegemonism and power politics and will never seek hegemony itself. Even after China becomes a developed nation in the future, it will still never seek hegemony. China will never change its policy of developing good-neighborly and friendly relations with its neighboring countries.

Keeping Close Relations With Third World Countries

Strengthening unity and cooperation with other developing countries is a basic point of China's independent and peace-oriented foreign policy. Although a series of major changes occurred in the international situation, China's friendship with the developing countries stood the tests of wind and waves in the international community, and friendly and cooperative relations were continuously consolidated and expanded. In international affairs, China and other developing countries supported each other, cooperated closely, and made new contributions to the struggle against hegemonism and power politics, to the maintenance of world peace and stability, and to the establishment of a new international political and economic order.

This year, China further carried out friendly exchanges at a high level with developing countries and strengthened political consultations with them.

In June, President Yang Shangkun visited three African countries, namely, Tunisia, Morocco, and the Ivory Coast. In the Ivory Coast. China published six principles for its relations with African countries, and this expressed China's good desire for strengthening relations with African countries under the new international situation.

China also continuously deepened its friendship with Latin American countries and increased dialogue and cooperation with them. The Chinese Government constantly supported the Latin American countries' just cause of safeguarding their national independence and state sovereignty and seeking economic development. China highly values the positive role of the Rio Group in regional and international affairs. In early 1992, when attending the UN summit meeting on the environment and development in Brazil, Premier Li Peng met with the presidents of Brazil, Cuba, Mexico, Argentina, Chile, and Peru. They exchanged opinions on bilateral relations and international issues of common interest and achieved the same position on a wide range of issues.

China always attaches importance to the Nonaligned Movement [NAM]. In September, State Councillor and Foreign Minister Qian Qichen led the Chinese delegation, for the first time, to attend the 10th summit meeting of the nonaligned nations. The meeting officially accepted China as an observer to the NAM. China's relations with the Group of 77 also made new developments.

New development were also made in China's relations with various island countries in the South Pacific. As a dialogue partner, China attended the summit meeting of the South Pacific Forum.

Gradually Restoring and Developing Relations With Western Nations

China always attaches importance to relations with Western countries and holds that differences in social systems and ideology should not become an obstacle to the development of bilateral relations. This year, through joint efforts of both sides, relations between China and the Western countries were further improved and new developments were made. Political intercourse and trade, scientific, technological, educational, and cultural cooperation were gradually restored and developed. Most Western countries have restored economic assistance to China and again provide export credits and commercial loans to China. Investment by Western nations in China also increased steadily. Early this year, during the UN summit meeting, Premier Li Peng held separate meetings with the leaders of some Western countries, including the Untied States, Britain, France, and Austria. Premier Li Peng also successively visited Italy, Switzerland, Portugal, Spain, and Finland. Vice Premier Tian Jiyun visited Sweden, Denmark, Norway, and Finland in June. Vice Premier Zhu Rongji visited Australia and New Zealand in February, and visited Britain, Finland, Denmark, Sweden, and Norway in November. Vice Premier Zou Jiahua visited Italy, Spain, and the Netherlands in September. All these visits allowed the hosts to better understand China's reform and opening, increased mutual understanding, and played a positive role in expanding economic, scientific, technological, and trade cooperation.

China and the United States maintained normal relations. This was not only beneficial to the Chinese and American people, but was of great importance for peace in the Asia-Pacific region and in the whole world. China hopes to increase trust, reduce trouble, develop cooperation, and prevent confrontation with the United States. The Chinese Government and the Chinese people made great efforts to improve and develop relations with the United States. However, the U.S. Government violated the Sino-U.S. joint communique on 17 August 1982 and decided to sell F-16 fighters to Taiwan. This damaged the principled foundation of Sino-U.S. relations. We hold that only when both China and the American sides strictly observe the principles specified by the three joint communiques can bilateral relations be improved and developed.

China is willing to develop friendly and cooperative relations on the basis of the Five Principles of Peaceful Coexistence with all countries, including the Western countries. However, on the Taiwan, Tibet, and Hong Kong issues, which are related to state sovereignty and national interests, we will never barter away our principles and will never allow other countries to interfere in China's internal affairs.

Independently Handling International Issues

In international affairs, we did not attach ourselves to any big powers or state groups and did not form alliances or strategic relations with them. When approaching all international issues, we proceeded from the fundamental interests of the Chinese people and people throughout the world and made independent judgments to decide our position and policies.

As a permanent member of the UN Security Council, China persistently upholds principles and justice on international issues. It is not only responsible for international security but is also responsible for history. This has been widely praised by the international community. On armed conflicts and local wars in the Balkan region and in the former Soviet Union, China expressed its principled position many times in the United Nations and on other international occasions, stressing that the various sides involved in the conflicts should solve their disputes through peace talks, and opposed the use of force by external parties and the use of one war to check another war. China held that the international community should not be directly involved in the conflict, and that action taken by the international community should prevent the intensification of contradictions and conflicts. China constantly holds that the Middle East problem should be solved in a political way. This year, China participated in multilateral talks in the third phase of the Middle East talks and made efforts to promote the Middle East peace process.

On the issue of arms control, China put forth the principles of being fair, reasonable, all-inclusive, and balanced, and this was widely supported by the international community. In March, China officially joined the

"Nuclear Weapons Nonproliferation Treaty." At the same time, it assumed a constructive attitude in participating in talks on an international treaty banning chemical weapons and made positive contributions to the maintenance of world peace.

Actively Participating in International Cooperation and Promoting Common Development

China supported the United Nations in playing a positive role in accordance with the UN Charter, promoting global and regional economic cooperation, and protecting the ecological environment. In January this year, Premier Li Peng attended the UN Security Council summit meeting and delivered an important speech there. He enunciated China's position and opinions on major international issues. In April, the 48th meeting of the UN Asia-Pacisic Economic and Social Committee was held in Beijing. In hosting this meeting. China made full preparations and careful arrangements in all aspects, played an irreportant role in the meeting, and ensured that the meeting was completely successful. In June, Premier Li Peng made an important speech at the UN Environment and Development Conference in Brazil and represented the Chinese Government in signing the "Convention on Climatic Change" and the "Biodiversity Treaty." This fully shows that the Chinese Government attaches great importance and bears a strong sense of responsibility for the international environmental cause

Peng Chong Addresses Asia-Pacific Forum

OW2601090893 Beijing XINHUA Domestic Service in Chinese 1434 GMT 14 Jan 93

[By reporter Liu Wenyu (0491 2429 3768)]

[Text] Tokyo, 14 Jan (XINHUA)—Peng Chong, vice chairman of the NPC [National People's Congress] Standing Committee, said today at the inaugural meeting of the "Asia-Pacific Parliamentarians Forum": "The Chinese NPC is prepared to make unremitting efforts along with parliaments of the Asia-Pacific countries to strengthen understanding, cooperation, and friendship between parliaments and peoples in the region."

A total of 57 parliamentarians from 15 countries in the Asia-Pacific region gathered at the Okura Hotel in Tokyo today, and decided to establish the "Asia-Pacific Parliamentarians Fourm."

In his speech, Peng Chong sincerely expressed the hope that the "forum" will be able to improve understanding and friendship between parliaments, parliamentarians, and peoples of the Asia-Pacific nations, promote peace in the region, and make positive contributions toward development.

He said: In recent years, the political situation in the Asia-Pacific region has been relatively stable, and economic development has maintained the momentum of rather strong growth, occupying an increasingly important position in the global economy. But economic development in the Asia-Pacific region is also very uneven. It is the universal duty of peoples of the Asia-Pacific countries to gradually eradicate the factors of instability and to advance the development of stability in the region.

Peng Chong said: In economic development, the developing nations and the more developed countries of the Asia-Pacific region both have their edges. By stepping up mutually beneficial cooperation between them, these different advantages could become a huge potential force for promoting the steady expansion of regional economic cooperation and trade.

Peng Chong also introduced China's achievements since the implementation of reform and opening more than a decade ago. He said that China will firmly pursue the policy of opening to the outside world and open to all countries.

Chen Xitong Meets Sudanese IOC Member

OW2401063193 Beijing XINHUA Domestic Service in Chinese 1612 GMT 18 Jan 93

[By reporter Li Hepu (2621 6320 2528)]

[Text] Beijing, 18 Jan (XINHUA)—Chen Xitong, mayor of Beijing municipality and chairman of the Beijing Olympic Ganses Bid Committee, tonight met with Catier [jia di er 0502 6611 6705], a Sudanese member of the International Olympic Committee [IOC], and his wife at the Diaoyutai State Guest House.

Chen Xitong said: It is the common wish shared by the 1.1 billion Chinese people for Beijing to host the 2000 Olympic Games, and it is hoped that this "dream" will come true.

Chen Xitong and Mr. Catier, in an amicable atmosphere, spoke glowingly of China's friendship with the Sudanese people, and exchanged views on how to carry forward the Olympic spirit and how to win the bid for the Olympic Games.

Chen Xitong said: In 1970 Mr. Catier visited Beijing. Twenty years later tremendous changes have taken place in China. Currently, China's political situation and society remain stable, and its people are united as one and work hard for progress. After successfully hosting the Asian Games, Beijing is determined to win the right to host the 2000 Olympic Games. IOC Chairman Samaranch is well-known in China. The Chinese people have respect and love for the Olympic spirit, and are ready to make contributions to popularize Olympic sports.

Mr. Catier said: Security would not be a problem if China hosts the Olympic Games—this is a very vital requirement. Economic strength is also a major requirement in the bid for rights to host the Olympic Games. In the present-day world, China is one of the countries with a high economic growth rate. He said: Beijing has done an impressive job in preparatory work for bidding for the Olympic Games. I wish Beijing success.

In his youth, Mr. Catier played tennis and soccer, and was a member of Sudan's Army soccer team. He was chairman of Sudan's Olympic Committee from 1980 to 1986, was elected as a member of the IOC from 1983 to 1989, and was reelected in 1990.

He Zhenliang, vice chairman of the IOC and president of the Chinese Olympic Committee, and his wife also attended the meeting.

Miyazawa To Present Nonaligned Views to G-7

OW2501140393 Beijing XINHUA in English 1340 GMT 25 Jan 93

[Text] Tokyo, January 25 (XINHUA)—Japanese Prime Minister Kiichi Miyazawa said today he would try to present views of the Non-Aligned Movement [NAM] at a group of seven (G-7) summit to be held in Tokyo in July.

Addressing the parliament, he said it would be difficult to have direct dialogue between Indonesian President Suharto and leaders of the seven industrialized nations.

Suharto, chairman of the Non-Aligned Movement, had asked Japan, host of this year's summit, to do so during Miyazawa's visit to Indonesia earlier this month.

Japan plans to solicit views from Suharto on the matter prior to the summit, government sources said.

Back in 1991 when a G-7 summit convened in Germany. Senegal was invited to the summit to present views on behalf of 15 African countries.

The G-7 includes Canada, the United States, Japan, Great Britain, France, Germany and Italy.

XINHUA Reports on U.S.-ROK Exercise

OW2601113193 Beijing XINHUA in English 1115 GMT 26 Jan 93

[Text] Seoul, January 26 (XINHUA)—South Korea and the United States are to conduct their annual military maneuvers, dubbed "Team Spirit," for 10 days from mid-March, the South Korean Defense Ministry announced here today.

A Defense Ministry spokesman said that South Korea and the United States have decided to renew the drill which will be 10 percent smaller than the exercise in 1991 in terms of troops and equipment.

About 120,000 troops are expected to take part in the exercises, including 50,000 U.S. soldiers, he said.

United States & Canada

Presidení Clinton Urged To Promote Trade Ties HK2601032893 Beijing ZHONGGUO XINWEN SHE in Chinese 0851 GMT 20 Jan 93

[By Sun Yongliang (1327 3057 5328)]

[Text] Beijing, 20 Jan (ZHONGGUO XINWEN SHE)— On the date when new U.S. President Clinton sworn in, Zhou Jie, news spokesman for the Chinese Ministry of Foreign Economic Relations and Trade [MOFERT], said he hoped that the new President would contribute to the development of Sino-U.S. trade.

At today's press briefing, the spokesman said: We hope that the Clinton administration will proceed from the fundamental interests of China and the United States and promote the healthy growth of Sino-U.S. trade.

It is said that marked progress has been made in economic relations and trade between the two countries in recent years. According to relevant statistics, the volume of bilateral trade totaled \$14 billion last year. The United States has now become China's third largest trade partner abroad.

Despite the unfavorable factors in current Sino-U.S. economic relations and trade. Zhou Jie said, the important thing is that the two sides can adopt correct methods to settle their problems. He insisted that the deficit in Sino-U.S. trade should not become an obstacle to the development of economic relations and trade between the two countries.

On the question of the MFN status, the spokesman said that the offer of MFN status to each other constitutes the foundation of the development of Sino-U.S. economic relations and trade. Such reciprocal ties conform to the interests of the two countries and at the same time require the meticulous care of the two governments.

More on U.S. Trade Ties

HK2601031093 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 21 Jan 93 p 1

[XINHUA report: "Spokesman of the Ministry of Foreign Economic Relations and Trade on Sino-U.S. Economic and Trade Cooperation"]

[Text] Beijing, 20 Jan (XINHUA)—Zhou Jie, spokesman for the Ministry of Foreign Economic Relations and Trade, said today: China hopes that the new U.S. President Clinton will make constructive efforts to safeguard and develop Sino-U.S. economic and trade cooperation.

Speaking at a news conference for Chinese and foreign journalists, Zhou Jie said: Sino-U.S. economic and trade relations are closer today, with the volume of trade between the two countries reaching \$14 billion. As China's third biggest trading partner, the United States

ranks first among foreign investors in China. At the same time, China's position in U.S. foreign trade continues to rise. He said: The present level of trade volume between China and the United States is the result of years of joint efforts by people from the commercial and business circles of China and the United States. Sing-U.S. economic and trade relations will grow increasingly more important as relations between the two countries develop.

Zhou Jie pointed out: It is not enusual that some unfavorable factors should exist in the economic and trade relations between the two countries at present. In the past, the two sides have successfully prevented the retrogression of Sino-U.S. economic and trade relations through negotiations. In the future, the normal development of Sino-U.S. economic and trade relations can be ensured as long as correct methods are taken.

The spokesman expressed the hope that the Clinton administration, proceeding from the overall interests of the two countries, will play an active role in promoting the development of Sino-U.S. economic and trade relations.

Article Views Challenges for President Clinton

HK2601051593 Beijing RENMIN RIBAO in Chinese 21 Jan 93 p 6

[Article by Bao Shishao (7637 0013 4801): "Confidence and Challenge—Written on the Occasion of Clinton Entering the White House"]

[Text] Bill Clinton was elected 52d [as published] U.S. President on 3 November 1992. The broad masses of U.S. voters and various countries in the world are watching how this young and energetic President, who was born after World War II, will lead his country to usher in the future.

Over the past two months, Clinton mainly accomplished two things. First, organizing a new cabinet; and second, formulating a series of domestic and foreign policies. It is not difficult for people to see from these activities some inclinations of the new administration.

After full consultation and careful selection, beginning 10 December 1992, Clinton nominated 14 cabinet members on seven occasions. Among them four are blacks, two are Americans of Hispanic ancestry, and three are women; this not only has a certain degree of representation of gender, color, and ethnicity, but also embodies a balance of forces inside the Democratic Party. In order to "revitalize the U.S. economy" and adapt to the rapidly changing international situation, he appointed Bentsen, who has rich experience in economic work, as treasury secretary; Panetta, a well-known economist, as director of the Office of Management and Budget; and Christopher, an old diplomat from the days of the Carter administration, as secretary of state. Talking about the nominated cabinet members, Clinton said: "They come

from various places in America, from government, congress, city councils, boards of directors, conference rooms, and classrooms." It seems that he is very confident in his cabinet.

During the presidential campaign, Clinton defeated his opponents with the trump card of "revitalizing the economy," and time and again he stressed the need to work hard to tackle the short- and long-term challenges faced by the United States in the economic domain. After being elected, Clinton held a large two-day economic conference in Little Rock, which was participated in by more than 300 economists and entrepreneurs, to discuss measures for invigorating the economy. The conference made proposals on increasing investment, creating jobs, and stimulating the economy, enriching the economic revitalization plan which Clinton is about to announce.

However, the challenges faced by Clinton are very grim. Although the U.S. economy will grow in 1993 when compared with 1992, the recovery will be slow. Just when Clinton and his strategists are studying ways to encourage investment and increase jobs, a "layoff" wind" is blowing across U.S. enterprises. According to a survey of some 800 companies carried out by the American enterprises management association, one out of four companies plans to lay off staff in 1993. The huge budget deficit (which soared to \$290 billion in 1992) is the biggest problem facing Clinton. In order to stimulate the economy. Clinton wants to increase public investment and reduce or waive taxes for some medium and small enterprises, but this will inevitably contradict the goal of reducing the deficit. Clinton's economic group cannot reach consensus on this problem, and finds it difficult to find a method which is satisfactory in both respects.

Compared with his predecessor. Clinton will pay more attention to domestic problems, but people predict that the often-changing international situation will probably cause more of his time and money to be consumed in international affairs than expected. The new administration will maintain continuity in the area of foreign policy, following the one pursued by the Bush administration, while making some necessary adjustments. As the "only superpower," the United States wants to build a "new world order" according to its blueprint, but the subjective wish is far from matching objective reality. The problem of how to deal with some currently existing regional armed conflicts, and especially the economic difficulties, intensifying ethnic conflicts, and armed clashes in the CIS and East European countries; and the problem of how to handle relations with Western allies, including West European countries and Japan, are the challenges faced by the Clinton administration.

President Clinton To End Ban on Gays in Military

OW2601083793 Beijing XINHUA in English 0558 G/AT 26 Jan 93

[Text] Washington, January 25 (XINHUA)—Despite rising opposition from the Congress and ranking officers,

U.S. President Bill Clinton today reaffirmed his resolve to stick to his campaign pledge of ending a 50-year-old ban on gays and lesbians in the military.

White House spokesman George Stephanopoulos, following a two-hour meeting between Clinton and the Joint Chiefs of Staff of the armed services, said the new President plans to take steps within days to end the ban.

"I intend to keep my commitment," Clinton said.

He had promised during the presidential campaign last year to lift the ban in the early days of his administration but the plan is confronting opposition from the majority of the military as well as from the Congress.

Today's meeting was described by Stephanopoulos as "cordial, honest and respectful."

The military chiefs said they would respect Clinton's authority as commander in chief, the spokesman said.

Citing concerns about housing, spousal benefits, discipline, requests for same-sex marriages and potential security threat to the gays themselves, military officials led by Chairman of the Joint Chiefs of Staff Colin Powell have been reluctant to support the ban.

There were reports on Sunday that Powell would resign over the issue but the rumor was soon denied by both the two spokesmen for the White House and General Powell.

Powell's spokesman Colonel William Smullen said neither Powell nor other officers present at the meeting would comment on the discussions until the White House issued a statement.

Smullen said the statement could come out in the next day or two.

Besides opposition from the military, Clinton's effort to lift the ban may also face a stonewall in Congress. Clinton plans to meet congressional leaders on Tuesday.

Senate Republican leader Bob Dole said, "it will be extremely difficult to sustain any legislation that would change that policy today, tomorrow or six months from now."

Les Aspin, the secretary of defense, had proposed that Clinton take a six-month delay to seek a consensus among the military and congress.

In addition to Dole's pessimistic prediction, Senate majority leader George Mitchell said the lifting of the ban could garner "no more than 30 sure votes" in the 100-member senate.

Meanwhile, Senate Armed Services Committee Chairman Sam Nunn, adamantly against lifting the ban, said his committee would hold hearings on the issue beginning in March, involving testimony from Defense Department, White House officials, gay-rights groups and ordinary soldiers.

"I think something is fundamentally flawed when the men and women in the military have an issue that is vital to them, that affects them and they never have been heard from," Nunn said.

A possible delay of Clinton's move to lift the ban could mark another embarrassment for the new administration.

Clinton's earlier pick for attorney general, Zoe Baird, had to withdraw her nomination following increasing public outrage over her hiring of two illegal aliens.

The delay also diverted Clinton's attention to the economy, on which he promised to focus like "a laser beam."

But Stephanopoulos, Clinton's spokesman, still sounds upbeat: "We knew this wasn't going to be easy but it's something the President believes in... I think we'll be able to sell it."

Honeywell, Sinopec Sign Joint Venture

HK1601031593 Beijing CHINA DAILY in English 16 Jan 93 p 2

[Article by staff reporter Zhang Yu'an: "Sinopec Signs \$4m Deal With Honeywell"]

[Text] The China Petrochemical Corporation (Sinopec), the world's fourth largest oil refiner, signed an agreement with the American Honeywell Inc on Thursday evening to set up a joint venture in Tianjin's bonded area. [sentence as published]

With a total investment of more than \$4 million, the Sinopec-Honeywell (Tianjin) Ld will develop technology systems, including both software and hardware, for the hydrocarbon processing industry and market Honeywell's TDC2000/3000 integrated control systems, which are widely used in automation control of many industries, such as petrochemicals, meetallurgy, textiles and aviation.

Honeywell is the world's largest supplier of digital process control systems. The Sinopec-Honeywell (Tianjin) Ltd is Honeywell's first joint venture in China.

A Honeywell official said that production will first start in the form of assembling components from overseas in the third quarter of this year. The majority of the assembled systems will be marketed in China to meet the country's rising demand for advanced control and automation systems.

Sheng Huaren, President of Sinopec, said at the signing ceremony that his corporation welcomes more foreign co-operation in the high technology sector.

Sinopec is a large State-owned economic entity under the State Council and it has nearly 40 large-sized oil refineries throughout the country with an annual refining

ability of 139 million tons, accounting for 89.8 percent of the country's total annual refining capability.

Michael Bonsignore, president and also chief operating officer of Honeywell Inc, said, said: "The signing of the joint venture agreement between Sinopec and Honeywell marks a new and positive step toward further cooperation between Honeywell and China, as well as between the U.S. and China."

Honeywell first started its business in Shanghai in 1935.

U.S. Firm To Lease Aircraft to PRC Airline

OW2001231793 Beijing XINHUA in English 2119 GMT 20 Jan 93

[Text] New York, January 20 (XINHUA)— International Lease Finance Corporation (ILFC), a wholly owned subsidiary of American International Group, Inc., today announced the lease of four aircraft to a Chinese airline.

The four new Boeing 737-300's valued at 130 million U.S. dollars are leased to China Southwest Airlines based in Chengdu, China, on seven-year leases. Deliveries will be made from February through November 1993. ILFC said this is its first lease transaction in China.

ILFC also announced that it is leasing seven new aircraft and 19 used ones to another eight airlines in Britain, Hong Kong, Costa Rica, Guatemala, El Salvador and the United States. The total transaction of 30 aircraft is valued at 705 million dollars, including engines and spares.

The new aircraft to be leased include five Boeing 737-300's, three new Boeing-757-204er's, and three Airbus-320-200's. The used ones include 11 BAC-111-500's, seven Boeing airplanes and one Airbus.

ILFC is the international market leader in the leasing and remarketing of commercial jet aircraft to airlines around the world. It owns a jet portfolio valued at more than 7 billion dollars, consisting of approximately 200 aircraft.

Central Eurasia

XINHUA Cites Yeltsin on India Visit

OW2601030693 Beijing XINHUA in English 0245 GMT 26 Jan 93

[Text] Moscow, January 25 (XINHUA)—Russian President Boris Yeltsin said today Russia hopes to develop mutually beneficial cooperation with India instead of the ties directed against a third country.

Before he starts his trip to India Wednesday, Yeltsin told Russian and Indian reporters the two countries have differences on debt payment. He expressed his hope to sign a document on settling accounts during his visit to India. He said his country will sign a contract on supplying low temperature accelerators to India and a new treaty on friendly cooperation between the two nations.

Xinjiang, Kazakhstan Plan Border Water Project

OW2301032093 Beijing XINHUA in English 0240 GMT 23 Jan 93

[Text] Urumqi, January 23 (XINHUA)—Northwest China's Xinjiang Uygur Autonomous Region and Kazakhstan have recently reached an agreement to jointly build a water-conservancy works over the Horgos River along the border.

It will be the first such project built on the border between northwest China and a neighboring country, according to Zhong Jiuxi, a senior engineer and official in charge of the project.

It will include the repairing of the upper and lower reaches of the river, the building of two lockgates and the digging of irrigation channels.

The two sides will jointly invest 20 million yuan (over three million U.S. dollars) in the project, for which public bidding will be invited, Zhong said.

The project is expected to be inaugurated after next year's flood season and completed before the arrival of floods in 1995.

The 137-km-long river is the water source for 26,000 ha [hectares] of farmland within Chinese territory and 16,000 ha of cultivated lands in Kazakhstan, the official said.

When the project is finished it will make available several million extra kw of electricity to both sides.

Northeast Asia

Li Tieying Meets Mongolian Sports Delegation

OW2501135193 Beijing XINHUA Domestic Service in Chinese 0826 GMT 15 Jan 93

[By reporter Zhou Zongxin (0719 1350 2946)]

[Text] Beijing, 15 Jan (XINHUA)—State Councillor Li Tieying, who is also minister in charge of the State Education Commission, met the Mongolian sports delegation led by (Choleget Bater), chairman of the Mongolian Youth and Sports Commission, in the Great Hall of the People today.

Li Tieying expressed satisfaction over cooperation in the field of sports between the two countries in recent years and hoped that this cooperation will be further promoted.

Li Tieying said: Asians and the Oriental nationalities have been fast-emerging in the international sports arena in recent years, scoring attention-drawing success in last year's Barcelona Olympics. The level of development in sports reflects the quality and strength of a nation. To further advance China's sports, we have to take immediate actions to enhance the quality of our sportsmen and sportswomen, restructure the system, and improve sports facilities. Besides, we need to learn the strong points of other countries to raise our sports level and push ahead our sports undertakings.

(Choleget Bater) praised the outstanding success achieved by the Chinese sportsmen and sportswomen in recent years, particularly in last year's Barcelona Olympics. He indicated that Mongolia would like to step up sports exchanges and cooperation with China.

He vowed Mongolia's unconditional support for China's bid for the 2000 Olympics and hoped that Beijing will succeed in its application. He wished the First East Asian Games to be held in Shanghai in May this year a success.

Wu Shaozu, minister in charge of the State Physical Culture and Sports Commission, was present at the meeting.

This afternoon, China and Mongolia signed a sports exchange protocol for 1993, under which both sides will exchange sports teams, delegations, and study groups covering wrestling, boxing, shooting, volleyball, and track and field.

Beijing, Ulaanbaatar Sign Trade Documents OW1501110893 Beijing XINHUA in English 1030 GMT 15 Jan 93

[Text] Beijing, January 15 (XINHUA)—China will help to establish a Chinese language training center in Mongolia, according to a note exchanged here this afternoon between the two states.

Also signed today was a summary of talks on importexport of goods and projects of economic assistance between the two countries for the year 1993. Chinese Vice-Minister of Foreign Economic Relations and Trade Wang Wendong and visiting Mongolian Vice-Minister of Industry and Commerce Mandal Suren signed the documents.

Before the signing ceremony, Chinese Minister of Foreign Economic Relations and Trade Li Lanqing held talks with Mandal Suren on expanding trade and economic cooperation between the two countries and other issues of common concern.

Mongolian Vice-Minister Mandal Suren arrived in Beijing on the 11th for a five-day visit to China.

NPC Chairman Wan Li Meets Mongolian Leader OW2401083293 Beijing XINHUA in English 0744 GMT 24 Jan 93

[Text] Beijing, January 24 (XINHUA)—Wan Li, chairman of China's National People's Congress (NPC) Standing Committee, expressed the hope that the friendly and cooperative relations between China and Mongolia would develop further on the basis of the five principles of peaceful coexistence.

During a meeting with Natsagiyn Bagabandi, chairman of Mongolian Great Hural, and his party at the Great Hall of the People here today, Wan said that the bilateral relations have developed smoothly in recent years and further development conform to the fundamental interests of the people of the two countries.

To develop good-neighborly and friendly relations with neighboring countries is an important part of China's independent foreign policy of peace, he said.

Bagabandi expressed his satisfaction with the development of the bilateral friendly relations between Mongolia and China and said that the development of the relations between the parliaments of the two countries will help promote the bilateral cooperation in other fields.

Following the meeting, Wan gave a dinner in honor of the Mongolian visitors.

Political & Social

Sources Say Deng Calls Off Antileftist Campaign

HK2601015593 Hong Kong SOUTH CHINA MORNING POST in English 26 Jan 93 p 6

[Report by Willy Wo-lap Lam]

[Text] Conservative ideologues in Beijing have circulated remarks attributed to Mr Deng Xiaoping which indicated the patriarch had called off the campaign against "leftism", or remnant Maoism.

Prominent leftist cadres have continued to recover territory lost at the 14th party congress last October.

Sources in the capital said the ideologues, led by elder Mr Deng Liqun, had circulated the report that Mr Deng Xiaoping had written a letter to Politburo members in which he called off the campaign against leftism.

In the same letter, the patriarch reportedly indicated that the official verdict on the June 4 massacre "must never be overturned", and that adequate "compensation" must be made to those cadres who had been removed at or immediately after the 14th congress.

"The veracity of the letter has been cast into doubt because Deng Xiaoping very seldom sends missives to the Politburo," a Chinese source said.

"In different contexts late last year, the patriarch did talk about the June 4 verdict and the need to put a temporary stop to the anti-leftist campaign.

"The leftists have taken these bits and pieces out of context and have blown them out of proportion." The source indicated, however, that it was true that Mr Deng had at least temporarily acquiesced in a resurgence of leftist influence.

For example, he failed to carry through with efforts to remove Maoist commissars from the ideology and propaganda departments.

Several prominent conservatives last week received special awards from the State Council for their contribution to the social sciences. They included journalists and theorists Yu Quanyu, Ding Zhenhai, Huang Meilai and Han Zhongkun. Most of them have been associated with the People's Daily and are proteges of its former Maoist director, Mr Gao Di.

"Intellectuals in Beijing are dismayed by the fact Deng Liqun is celebrating over Deng Xiaoping's sudden lapse into conservatism," a newspaper editor in Beijing said. "They are particularly shocked by the fact that leftist cadres are receiving awards from the Government."

Another source in Beijing said it was "ominous" that hardline elders including Mr Chen Yun and Mr Wang Zhen had put in appearances on the eve of the Lunar New Year.

Moreover, their appearances were reported by the national media ahead of that of Mr Deng Xiaoping in Shanghai.

In his Lunar New Year Message, Mr Deng made no reference to his year-old campaign against leftism. Moreover, the patriarch drummed up support for party General Secreaty Mr Jiang Zemin, saying he was a "trustworthy core of the party".

In recent speeches, Mr Jiang had toed the conservative line about putting such orthodox values as patriotism and socialism "above all else".

Deng Xiaoping 'Keeps Sober-Minded' About Virtues

HK2601094193 Hong Kong CHING PAO in Chinese No 1, 5 Jan 93 p 48

[Article by Ming Li (2494 7787): "Deng Xiaoping Opposes 'Singing of His Praises"]

[Text] While Others Eulogize His Virtues and Achievements, Deng Xiaoping Keeps Sober-Minded

News from Beijing: The governments, mass organizations, schools, and enterprises of such provinces and municipalities as Guangdong, Hubei, Shanghai, Shandong, Tianjin, Sichuan, and Liaoning asked for erection of Deng Xiaoping's bronze statues, rebuilding of Deng Xiaoping's former residences, and holding of meetings to discuss understandings of studying and applying Comrade Deng Xiaoping's works. Naval troops also asked the Central Military Commission to name that the nuclear submarine which was launched on active service in the North China Sea in the middle 10 days of October 1992, "Xiaoping." It has been learned that bronze Deng Xiaoping statutes have been erected in some military districts, bearing expressions reading: "Comrade Deng Xiaoping's theory on army building is the guide of the whole Army."

According to reports, the current local suggestions are made spontaneously. This is completely different from the past practice when things like this were done on mandatory "orders" by the central authorities. In regard to phenomena of this kind, Jiang Zemin and Qiao Shi, Standing Committee member of the Political Bureau of the CPC, issued instructions one after another: The central authorities have not encouraged this way of doing things, because Comrade Xiaoping has repeatedly opposed it. So, we must respect Comrade Xiaoping. The demands of mass organizations, schools, and units are understandable. We must explain to them. It has been learned that Yang Shangkun, Bo Yibo, and Wan Li also maintained that the spontaneous love and esteem of mass organizations for Comrade Deng Xiaoping is an embodiment of the people's support for the party's policy which takes economic construction as the center. Their feelings must be protected and taken care of.

Deng Xiaoping is sober-minded in the face of the esteem and love for him of the party, government, Army, and people, which grow with each passing day. Recently, after reading the government work report (draft), which was to be submitted to Eighth People's National Congress for examination and approval, Deng Xiaoping wrote an instruction on it, saying: "The references to me are too frequent. I cannot bear them. Cut them out."

Deng Specially Wrote a Letter to the Echelons of CPC Leadership

In the middle 10 days of November 1992, Deng Xiaoping wrote a letter through the "Deng Xiaoping Office" to the Political Bureau of the CPC Central Committee.

The content of Deng Xiaoping's letter is roughly as follows: I thank the people very much for their esteem for me. As a Communist Party member and the people's public servant, I should make contributions to my own country and people. The party and the people have given me honor and good treatment. So, I am myself very much opposed to the erection of my statues, the reconstruction of my former residences in building projects on a large scale, and the sponsoring of exhibitions about me by localities or units and enterprises using the state's financial, human, and material resources. In the past I opposed the practice, such as singing the praises of the leader as well as party and government leaders, building their former residences, and constructing the so-called memorial halls. This viewpoint and stand of mine remain unchanged. I urge local party and government departments as well as mass organizations, enterprises, and units to spend their money, if conditions permit, supporting the poverty-stricken areas, where the money can be more useful. I suggest propagating and extolling those who have made quite great contributions in the building and defense of the motherland, reform and opening up, creative work in science and technology, and in the promotion of the cause of peaceful reunification of the motherland and erecting buildings of a memorial nature for those who have made outstanding contributions in this regard, but they should not be party and government leaders.

After the 14th CPC National Congress, the "Deng Xiaoping Office" again reported Deng Xiaoping's suggestion to the "General Office of the Central Committee" that while briefing visiting foreign guests on our construction, we should talk about our inadequacies and existing problems rather than very frequently mention the role of Deng Xiaoping as an individual and his theory. While going abroad, we should propagate our existing principles and policies and not mention the role of Deng Xiaoping as an individual and his theory. It is necessary to stress the role of the party's principles and policies and the people as well as the leading role of the party with Comrade Jiang Zemin as the nucleus.

Yang Shangkun Goes South Without Deng Xiaoping

HK2601042393 Hong Kong MING PAO in Chinese 26 Jan 93 p 6

[Unattributed report: "Yang Shangkun, Instead of Keeping Deng Xiaoping Company Like Before, Came to the South on His Own To Spend the New Year"]

[Text] Without following his usual practice of keeping Deng Xiaoping company over the New Year holiday season, which he had done in the previous years, Chinese President Yang Shangkun came to the south on his own this year and is now "on holiday" in Zhuhai. On another front, Zou Jiahua and Tian Jiyun, vice premiers of the State Council, and Li Tieying, state councillor and minister of the Education Commission, who are all members the CPC Political Bureau, and over 40 CPC senior persons or "old comrades," including Wang Zhen and Bo Yibo, are now all in various places in Guangdong for the winter.

Yang Shangkun arrived at Shenzhen Airport aboard a special plane on 24 January. Afterward, he went straight to Zhuhai by boat without staying in Shenzhen. Meeting Yang Shangkun at the airport were Li Hao, Shenzhen city secretary, and Li Youwei, mayor. Guo Rongchang, deputy secretary of the provincial committee, was the only person from the provincial authorities who had come to meet him.

Starting in 1990, Yang Shangkun has spent each Spring Festival in Shanghai, attentively keeping Deng Xiaoping company. This year, Deng Xiaoping also took his family to Shanghai to spend the New Year and showed his face on television. But Yang Shangkun acted differently from his normal behavior and went south on his own, parting company with Deng. This inevitably gave rise to the speculation by outsiders that he was showing his discontent with Deng's dismissal of his brother Yang Baibing.

However, it has been learned that during his brief stopover in Shenzhen the other day, Yang Shangkun "took the interests of the whole into consideration." When Li Hao mentioned that Deng's southern trip and Yang's inspection in Shenzhen last year had greatly catalyzed Shenzhen's development, Yang Shangkun said: "The credit should mainly go to Comrade Xiaoping. Comrade Xiaoping's southern trip was a great, epoch-making event and has catalyzed the work in the whole country."

According to informed sources, Yang Shangkun appeared to be in high spirits and was quite chatty on public occasions in Shenzhen and Zhuhai. The venous leg trouble he had suffered earlier was basically healed.

On another front, Bo Yibo, one of the eight CPC octogenarians, is also spending the New Year in Zhuhai at the moment. According to informed sources, Bo Yibo also appeared in fine health and spirits. But it is hard to predict whether Yang Shangkun and Bo Yibo will see

each other in Zhuhai. It is said that Bo has been critical of Yang Shangkun in the past years.

However, Wang Zhen, vice president and another CPC octogenarian, who is receiving treatment in Guangzhou, is in very poor health. He is suffering from, among other things, senile emphysema and bronchitis, which always come in winter and cause great suffering to him. On the 29th of the 12th lunar month, when Xie Fei, secretary of the Guangdong provincial CPC committee, and some others visited him, Wang Zhen had to be helped along and could not sit properly until a cushion was put behind him. His face was dull and expressionless. But he was still in his right mind and when talking, he did not forget to affirm the party and government work under the charge of "Jiang at the core" and "Premier Li."

According to informed sources, during their stay in the south, Zou Jiahua, Tian Jiyun, and Li Tieying are mainly "on vacation" and, in the meantime, are also supposed to do some "investigation and study" in relation to the work over which they have respective charge. Zou Jiahua's brother-in-law Ye Xuanping is the "local patriarch" of Guangdong, so Zou seems to be visiting southern Guangdong for the New Year on both public and private errands. Tian Jiyun, on the other hand, has good personal relations with the bosses of some joint venture enterprises and township and town enterprises in Shenzhen and the Zhu Jiang delta. It has been learned that he attended the "Army-Civilian Spring Festival Soiree of the Guangzhou Area" on the 29th of the 12th lunar month. He excused himself and left the gathering before it finished and went straight to Zhongshan and Zhuhai to spend the New Year in Zhuhai. He has a son and a daughter working in Zhuhai.

The holiday itinerary of these VIPs from Beijing is mostly in the hot area of Shenzhen, Zhuhai, and the Zhu Jiang delta. Some of them went to some newly developed areas in western Guangdong, such as Zhanjiang and Maoming, for inspection.

Also staying in southern Guangdong for the winter at the moment are some 40 CPC "old comrades," including Liao Hansheng, vice chairman of the standing committee of the National People's Congress; Wang Enmao, vice chairman of the national committee of the Chinese People's Political Consultative Conference; and Wang Shoudao, former member of the standing committee of the Central Advisory Commission.

The fact that so many VIPs from Beijing are concentrated in Guangdong has been considered a golden opportunity for "public relations" by the Guangdong authorities. During the Spring Festival season, Xie Fei, provincial secretary, and Zhu Senlin, governor, were accompanying these central officials on their visits to various places.

Further on Shanghai Leaders Visiting Chen Yun OW2001123893 Beijing Central Television Program One Network in Mandarin 1100 GMT 20 Jan 93

[From the "National News Hookup" program]

[Text] This morning, leading party and government comrades from Shanghai Municipality called on Comrade Chen Yun, a proletarian revolutionary of the older generation who is currently in Shanghai. [Video shows Wu Bangguo and other Shanghai leaders exchanging New Year's greetings with Chen Yun, who is seen seated in a chair. An unidentified man behind Chen Yun is seen whispering into Chen's ear.]

On behalf of the 13 million people of Shanghai, Wu Bangguo, member of the Political Bureau of the CPC Central Committee and secretary of the Shanghai Municipal Party Committee, first offered his New Year's greetings to Comrade Chen Yun, wishing him a happy New Year, good health, and longevity. [Video shows medium shots of Chen and Wu Bangguo talking. Chen slightly leans his head to the left, toward Wu Bangguo. He faces the camera without looking at Wu, with his mouth slightly open and his hands clasped together. From time to time, he laughs as he listens to Wu]

A beaming Comrade Chen Yun said: Thank you.

Wu Bangguo briefed Comrade Chen Yun on progress in rejuvenating Shanghai and in developing Pudong. He said: The situation in Shanghai is good. In 1992, we focused on changing mechanisms and readjusting the economic structure, thus achieving an economic growth rate that had been seldom seen in recent years. We basically managed to produce readily marketable and quality products that yielded good returns. Shanghai stayed within the bounds of state targets in terms of capital construction and credit volume.

Comrade Chen Yun was very delighted to hear this. He said: You were right in carrying out your work in accordance with Comrade Jiang Zemin's guidelines on emancipating the mind and seeking truth from facts. You did a good job. [Video shows medium shots of Chen turning his head toward Wu Bangguo and addressing the latter while looking at him. He gesticulates with his right hand, which shows no signs of wavering, and nods his head occasionally. He then clasps his hands together. Afterward, he turns his head slightly toward the right, as he speaks to those visitors who are off-camera.]

Others who called on Comrade Chen Yun today to offer him New Year's greetings included Huang Ju, Shanghai mayor; Chen Zhili, Wang Liping, and Chen Liangyu, deputy secretaries of the municipal party committee; and veteran Comrades Chen Guodong, Hu Lijiao, and Wang Daohan. [Video shows Wu Bangguo and four other men seated to the left of Chen Yun. Video then cuts to show the men standing up and talking to Chen, who is seen holding a bouquet of flowers.]

Article Says Jiang Zemin's Position Strengthened HK2301073493 Hong Kong TANGTAI in Chinese No 22, 15 Jan 93 pp 28, 29

[Article by Lu Yu-sha (7627 6276 2619)]

[Text] On the first day of 1993 leaders of 18 important provinces and municipalities were summoned to Beijing by the CPC Central Committee through urgent telephone calls. Through three days of intense arrangements, General Secretary Jiang Zemin had talks with them on separate occasions and they left Beijing one after another until 4 January. Such a big move on the official New Year's Day holiday immediately attracted the attention of the higher-echelon CPC leadership. What actually happened? Outsiders find it difficult at the moment to figure out what happened. Nevertheless, judging from the current widely publicized work arrangements of the CPC, a plan is likely being made for the convention in March of the Eighth National People's Congress [NPC]. whose significance is to give prominence to the pattern of Jiang Zemin's overall succession.

The expected overall succession by Jiang Zemin at the Eighth NPC shows that he will become a genuine power holder under Deng Xiaoping alone and above hundreds of millions of people. This accomplished fact was promoted by Deng Xiaoping with all his strength, because the succession will have the nature of considerable stability and reliability. After unsettling the Yangs, Deng Xiaoping adopted the following attitude toward Jiang Zemin: "Now that I have to choose you for the job, I will spare no effort to support you." This can be proven by the fact that Jiang Zemin's position has been strengthened in the party, government, military, economic, ideological, and other fields.

The Military: Jiang Zemin's Position Is Consolidated As Far As Possible

After the 14th CPC National Congress, the new Military Commission took the lead in overhauling the leading bodies of the three general departments and seven military regions. The moment the 14th national congress ended, Jiang Zemin personally went to the Beijing Military Region and gave a military order to Political Commissar Zhang Gong, a trusted follower of the Yang family, reading: "Immediately report for duty at the Chengdu Military Region and take the post of Political Commissar of the region. No delay is permitted, even a day." The leading bodies of the three general departments and seven military regions were thus overhauled. This was the biggest military overhaul since the 13 September Lin Bigo incident in 1971. Finally, even the commander of the People's Armed Police Force was transferred to the Guangzhou Military Region as deputy complete change of blood has been achieved. One has to admit that it is really a neat and thorough overhaul.

The two candidates under Jiang Zemin for military vice chairmanship are Liu Huaqing, a cadre sent after liberation to the Seviet Union to study military technology and always engaged in technology-related work after returning home and is basically not expert in politics, and Zhang Zhen, who had been selected a senior general in 1955 in regard to his qualifications and record of service as well as his military exploits, but was only elected a lieutenant general due to Luo Ronghuan's opposition. Luo termed Zhang Zhen as being "muddleheaded in major issues and clever in minor ones." Deng Xiaoping let the two men assist Jiang Zemin so as to consolidate Jiang Zemin's position as Military Commission Chairman even more.

The Party: Figures in the Way [you ai 2589 4293] Are Removed

On the morning of last 4 October, the Political Bureau was discussing the issue of installing Qiao Shi and Li Ruihuan as deputy party general secretaries, but in the afternoon the proposal was canceled. Immediately after that, Jiang Zemin personally had a talk with Oiao Shi. The content of the talk was that "Comrade Xiaoping suggested you give up the posts of secretary of the Central Commission for Discipline Inspection and secretary of the Central Commission of Political Science and Law." This puzzled Qiao Shi, who deliberately refrained from making public appearances, for several days. Another figure completely qualified for the Standing Committee membership, Tian Jiyun, not only failed to enter the Standing Committee, but also had to give up his government post of vice premier, a real power holder, to take up the idle post of vice chairman of the NPC Standing Committee, where Wang Hanbin, Deng Xiaoping's most trusted man and bridge partner, holds real power and prevents meddling.

Li Ruihuan was removed from the ideological leadership post, not because he was opposed by Deng Ligun, Wang Renzhi, Gao Di, He Jingzhi, and their like, whom were criticized by Deng Xiaoping in his southern tour talks as "politicians" and "theorists," "threatening people by using big political labels," but fundamentally because he did not get along well with Jiang Zemin. Jiang chose Ding Guangen, his old classmate of the Jiaotong University in Shanghai. The two are not only classmates but also fellow provincials from Jiangsu, one from southern Jiangsu and the other from northern Jiangsu. Jiang Zemin's ancestral home was in Yangzhou, while Ding Guangen's was in Wuxi. Now Jiang Zemin has directly assigned the overall responsibility for ideological issues to "Comrade Guangen," and the latter reports to the former as general secretary. The two have cooperated with each other flawlessly and with high proficiency.

The Government: Jiang Zemin Has the Nation's Real Economic Power Well in Hand

In the early days, after assuming the post of general secretary, Jiang Zemin repeatedly said: "I will surely dissolve the Central Financial and Economic Leading Group. Why does the party Central Committee need to have such a group? Turn everything over to the State Council for handling." Three years later, he came to realize that real economic power was the guarantee for real party and government power. So, after the 14th national congress, not only did he retain the Central Financial and Economic Leading Group with himself taking the directorship, but he also installed Deputy Director Zhu Rongji immediately after Deputy Director Li Peng, so as to share power with the latter. At the same time, Jiang Zemin also set up an additional post of secretary general, which was taken by his office director Wen Jiabao. Now it is perfectly clear in whose hands the central economic power rests.

The important task of this year's Eighth NPC is to conduct institutional reform. The task currently being carried out in full is appointing provincial-level cadres. Xiao Yang, Sichuan provincial party committee secretary [as published], who failed to be elected as a member of the Central Committee during the 14th national congress, is now acting governor. This is of course an indication of respect for Deng Xiaoping's opinions. In the change of government to be carried out next year, Xiao Yang's position in Sichuan Province is expected to be consolidated. However, to a larger extent, in which Deng Xiaoping's influence cannot be a factor because of his senility, Jiang Zemin will make his own personnel arrangements according to his will.

The Head of State: It Is Possible for Jiang Zemin To Take up the Post of State President

At the Eighth NPC to be held in March this year, Jiang Zemin will be elected president of the People's Republic of China, thus realizing overall succession, with party, government, and military powers residing in Jiang himself. It has been reported that at the end of the lunar year Deng Xiaoping will again go to Shanghai and is expected to make a public appearance at the Spring Festival as is his usual practice. This will be an unsurpassed effort to maintain his image as the chief designer of reform and opening to the outside world and as a support for Jiang Zemin, the successor he chose. However, Deng Xiaoping took one more move than Mao Zedong did. It is said that Zhu Rongji and Ding Guangen have been chosen to be the core of the structure of the fourth generation, which serves as the CPC fourth leading body under Deng's assistance.

Recently the Military Commission under Jiang Zemin issued a document to lower levels fully affirming Deng Xiaoping's historical constrictions to the 14th national congress, which were summarized in three aspects: 1) solving the problem of Yang Baibing in a relatively smooth and steady way; 2) solving the princeling problem; and 3) setting forth the idea of the socialist market economy. Jiang Zemin, who has always been regarded as not highly capable and busy with miscellaneous work, having accomplished nothing, is really "not muddleheaded in major issues."

CPC Documents Emphasize Unity, 'No Debate' HK2301064993 Hong Kong HSIN PAO in Chinese 22 Jan 93 p 9

[From the "Beijing Political Situation" column by Jen Hui-wen (0117 1979 2429)]

[Text] Beijing, 22 Jan-At the national forum of propaganda department heads held in mid-January, Ding Guangen, member of the CPC Central Committee Political Bureau, member of the CPC Central Committee secretariat, and head of the Central Propaganda Department, stated that the CPC's propaganda work should be guided by Deng Xiaoping's theory of building socialism with Chinese characteristics, should abandon the methods of "launching campaigns" and "mass criticisms," and should be conducted in accordance with the principle of "no debate." He especially stressed the need to "value unity, consensus, and overall interests" and, through the propaganda and ideological work, unite with all forces than can be united, mobilize all positive factors, turn negative factors into positive ones, and arouse and inspire the people of the whole nation to work hard in the cause of building socialism with Chinese characteristics.

Soon afterward, while entertaining in Zhongnanhai 10 leaders of the religious groups with nationwide influence, Li Ruihuan, standing committee member of the CPC Central Committee Political Bureau, pointed out: "Practice has proven that only by sincerely uniting and cooperating with each other politically can we truly respect each other in terms of beliefs; only by respecting each other in terms of beliefs can we effectively consolidate and reinforce political unity and cooperation."

Recently, Jiang Zemin, CPC general secretary, also called for unity among high-level cadres of the party, government, and armed forces. All this shows that "unity" and "no debate" has become a keynote of the CPC authorities after the 14th party Congress.

In fact, while talking to the Political Bureau Standing Committee in mid-November last year, less than a month after the 14th CPC Congress, Deng Xiaoping stressed the importance of unity within the party. He said: If "party members are on bad terms with each other because of differences of opinion and are not unified, even a policy that best suits the national condition would not be implemented in full. And if it were allowed to go on, the party would run into disorder and would collapse." For this reason Deng urged top-level CPC leaders to hold an extensive meeting as one of the regular party activities in late December last year, with a view to resolving conflicts and reinforcing unity by way of criticism and self-criticism.

Main Thrust of the Two Documents

According to informed sources in Beijing, in order to implement Deng Xiaoping's instruction on unity, starting from the high levels, the CPC authorities issued

two central documents in succession in mid-January on the topic of inheriting traditions and reinforcing unity. That CPC leaders recently remarked on the importance of unity one after another, as we have discussed earlier, was a result of Deng Xiaoping's instruction and of these two central documents.

One of the central documents is a collection of the talks given by CPC central leaders under the title of "Unity Within the Party Is the Basis on Which the Success of Our Cause Is Built." Issued by the General Office of the CPC Central Committee on 11 January, it contains excerpts of the talks recently given by senior CPC leaders Deng Xiaoping, Chen Yun, and Bo Yibo; Jiang Zemin and Qiao Shi, members of the CPC Central Committee Political Bureau; President Yang Shangkun; and Wan Li, chairman of the Standing Committee of the National People's Congress [NPC]. This document was distributed to all central departments, ministries, commissions, and offices and the party committees of all provinces, municipalities, and autonomous regions.

The other document was issued jointly by the General Office of the CPC Central Committee and the General Office of the CPC Central Committee and the General Office of the Central Military Commission [CMC] on 13 January under the title of "The Whole Army Should Inherit and Enhance the Red Army Spirit and Yanan Spirit." It is a collection of the talks given by the leaders of the CPC Central Committee and the CMC containing the excerpts of the talks of the following figures or the comments and instructions they wrote on documents: Deng Xiaoping; Jiang Zemin, chairman of the CPC Central Committee Military Commission; Liu Huaqing and Zhang Zhen, CMC vice chairmen; Yang Dezhi, former chief of general staff; and Hong Xuezhi, vice chairman of the National Committee of the Chinese People's Political Consultative Conference [CPPCC]. This document was distributed to the party committees of all military regions, arms, and services, and to military academies of higher learning.

Someone who has listened to the relaying of these documents said: To read between the lines, the fact that the documents repeatedly stress the importance of maintaining unity, considering overall interests, refraining from being swayed by personal feelings, avoiding debate, stepping up the building of a clean and honest government, and so on, points to some unusual developments under the current peaceful political situation. From this one can detect that there are indeed many conflicts demanding prompt resolution in the party, government, and armed forces, so much so that Deng Xiaoping and the top CPC leaders had to step forward to make an appeal for unity themselves.

CPC Authorities Are Most Afraid of Strife Within the Party

The informed sources say: At a meeting convened by the CPC Central Committee on 11 January and attended by old comrades, Jiang Zemin, in his dual capacity of CPC general secretary and CMC chairman, conveyed Deng

Xiaoping's remarks on reinforcing unity and refraining from resting on one's laurels.

At the meeting, Jiang Zemin said: "Xiaoping often says that the key to the unity of the whole party and the people of all nationalities across the country lies in the unity of the party, government, and military leadership groups at all levels, which mainly refers to the party, government, and military leadership groups of the center, provinces, municipalities, and autonomous regions, and the leadership groups of all military regions and arms and services. They should work for the party, the public, and the people; be open-minded; be strict with themselves but lenient toward others in criticism and self-criticism; and refrain from being swayed by their personal feelings, capitalizing on their seniority, assuming the airs of heroes, refusing to accept each other, practicing petty sectarianism, or undertaking little maneuvers in conflict with organizational discipline. How much more can an old comrade continue living off past gains? Middle-aged cadres should be on the alert. It is necessary to emphasize unity and party spirit and to obey the party's leadership unconditionally. When one has made some contributions, one should not ask the party for status, nor should one seek privileges or separate themselves from the people. Otherwise, it would not only harm oneself but also affect the smooth progress of the party's central work."

Jiang Zemin also said, "Xiaoping repeatedly pointed out: The external hostile forces have been sabotaging and infiltrating, and the capitalist ideology has been raiding and corroding. Have they ever stopped even for a day in the past 40 years or so? Today they have gone farther and are directing most of their attention toward us. What should we fear? I think there is no need for fear. The focus of the issue is how we fare in our own work. As long as we have a correct line and can unite as one, we are afraid of nothing. In the past, the United States and the Soviet Union wanted to change us, only to no avail. An important reason was that our party had rallying power. That is why although we had made a mistake with the orientation and line at that time, we did not fall from power. The reasons for the disintegration of the Soviet Union and the transformation of East Europe were many-faceted, but the main reason is internal strife. Their party leadership broke up and their parties were organizationally lax. They could not reach an adequate level in their economic construction for a long time and were lagging behind the capitalist countries that were developing alongside them. Those were the main reasons. If the issues concerning orientation and unity are not well handled, problems are bound to arise."

Someone in Beijing's political circles pointed out: Deng Xiaoping has always attached much importance to unity in the top CPC leadership. Whenever a new standing committee of the CPC Central Committee Political Bureau was formed. Deng would specially remind it to maintain solidarity. After the new CPC leadership group with Jiang Zemin at the core was established following the 4 June incident in 1989. Deng specially approached

Li Peng and Yao Yilin, wishing them to rally well around Jiang Zemin at the core, not to be unconvinced about this decision, and not to form a small coterie. Today, after the new seven-member Standing Committee of the CPC Central Committee has been formed, Derag specially reminded them to maintain unity, citing the example of the Soviet Communist Party's disintegration. All this indicates that what Deng is most concerned about is the internal strife in the CPC top echelon.

Deng Once Again Censures Critics in the Party

The informed sources also revealed that while Jiang Zemin was conveying Deng's instructions, Bo Yibo chipped in and said that Xiaoping wanted the critics and theoretical authorities as well those who enjoy putting labels on people to take note of this: "They should not think that they themselves are correct and are authentic Marxists and that all others are wrong, rightist, and anti-Marxist. I hope they stop wasting time and acting according to their emotions. In terms of the line and ideology, there are not many issues of principle within the party that need to be debated.

What merits attention is that in early and mid-December last year, Deng Xiaoping twice criticized the critics in the party for making a fuss over trifles, impairing unity, and interfering with the market economy. He suggested replacing these critics who were reluctant to renew their minds and were only talking about generalities and dogmas. That Deng once again criticized them for posing as Marxists demonstrates his determination to remove them. It is believed that the CPC authorities will have to consider Deng Xiaoping's opinion seriously in the personnel reshuffles in the upcoming reelections of the NPC and the CPPCC.

'Pen Talk' on Socialist Democratic Politics

HK2101132293 Beijing RENMIN RIBAO in Chinese 15 Jan 93 p 5

["Pen Talk on Arming the Whole Party With Comrade Deng Xiaoping's Theory on Building Socialism With Chinese Characteristics," by Li Cheng (6849 4453): "Build Socialist Democratic Politics With Chinese Characteristics"]

[Text] A report to the 14th party Congress pointed out: "Corresponding to the reform of the economic system and economic development, it is necessary to actively promote reform of the political system based on the need to closely integrate democratization and legalization. Our reform of the political system is to build socialist democratic politics with Chinese characteristics, not to pursue the Western multiparty system or parliamentary system." This is the basic principle guiding the construction of democracy and the legal system in our country, and this is a major duty which will affect the overall situation in the 1990's.

Superstructure must correspond to economic foundation, and this is the general rule of a society's development, as revealed by Marxism, as well what the communists persistently advocate. From democratic revolution to socialist revolution and construction, the CPC members raised the banner of reforming the unreasonable economic system and production relations on the one hand, and the banner of democracy, freedom, and human rights on the other hand. The new democratic revolution of China was a major revolution whereby hundreds of millions of toiling masses stood up politically and rose from the bottom of society to become master of the country. After the founding of New China, along with the deepening of the reform of the socioeconomic system, construction of democracy and the legal system also experienced new development. For a certain time, especially during the Great Cultural Revolution, our country's democratic life and citizens' rights suffered serious damage and infringement; however, the nature of the political power in our country, the leading function of the proletariat, and the people's status as master did not change basically. Since the Third Plenary Session of the 11th CPC Central Committee, our party has proposed socialist democratic politics as one of the basic goals of socialist construction. We have made great progress in socialist democracy and legal system building, the people's will and demands have been fully respected, social and political lives have developed healthily, the broad masses of people are relaxed, the nation has united, the society has been stable, and all these have guaranteed a smooth process of economic construction, reform, and opening up. Socialist democracy is a higher stage of democracy. The special feature of socialism in the political area is that people are the master. Socialist public ownership of the means of production as the mainstay, political power based on the people's democratic dictatorship, and the congressional system suited to this kind of political power are the basic guarantees ensuring that the people are the master.

Democracy is an internal demand of socialism, as well as its nature. Socialism needs democracy and, without hundreds of millions of people exercising their democratic rights in being the master and fully developing their historical initiatives, reform and construction cannot be successful. Democracy also needs socialism; a socialist system without the people being the master prevents the true realization of democracy, freedom, and human rights for the broadest mass of people. This point has been and will continue to be proved by history. The goal of reform of the political system in our country is to build socialist democratic politics with Chinese characteristics. That is to say, it is socialist on the one hand, and it proceeds from China's situation and national characteristics on the other hand. Its basic demand and main content are: First, uphold the nature of people's political power; embody the historic status which is led by the working class and is based on the alliance of workers and peasants, a status in which the people of various nationalities are the master; pay attention to implementing and protecting the people's essential rights

to manage the state and various social affairs; and do not allow freedom to any hostile force to undertake destructive activities. Second, uphold the basic system of democratic centralism; and diligently realize unity of democracy and centralism, unity of freedom and discipline, and unity of centralized will and individual peace of mind and vividness. Third, uphold institutionalization and legalization of democracy, and use the legal system to ensure the implementation of various kinds of democratic rights and freedoms for the masses of people to ensure that the democratic channel is smooth, and to ensure that party and government departments and leading cadres are subject to effective supervision. In the course of practice over the past 40 years, the CPC has led the people in the entire country to gradually form the people's congress system; the multiparty cooperation and political consultation system under party leadership; the autonomous system in the areas inhabited by minority nationalities; the grass-roots democratic system which consists of workers' representatives committees, residents' committees, and villagers' committees; and the social supervision mechanism constituted by supervision by law, administration, and public opinions. These systems suit the economic system which has public ownership as the mainstay, and suit the master status of the masses of people in the country; therefore they suit China's conditions, and we must resolutely keep improving and developing them in the course of

The development of the building of socialist democratic politics is restrained by various conditions and is a long and gradual process. At present, our country's social and political systems are rather imperfect, and there are many areas which must be improved; however, it is absolutely impossible for our country to implement the political system which suits the capitalist employment system and which is run by a small number of representatives of the bourgeoisie. Our country does not impose our own democratic values and system on others, and does not allow others to impose their democratic values and system on us.

The report to the 14th party Congress pointed out that the reform of the political system must correspond to the reform of the economic system. Without carrying out reform of the political system, we cannot protect the results of the reform of the economic system and enable the reform of the economic system to continue to proceed. Over the years, corresponding to the highly centralized planned economy system, our country's political life had many shortcomings, such as overstaffed party and government departments, overlapping levels, too many people than needed in many units, low efficiency, and separation from the masses; these fettered the people's enthusiasm, hindered the development of the strong points of socialism, and affected the process of modernization. At present, the reform of the economic system in our country is being deepened, economic relations have experienced many important changes, and new demands have been raised for democracy and legal

system building. The 14th party Congress made an important decision on building a socialist market economy system, and demanded that the country's economic management organs, management system, and leadership methods adapt to it. Therefore, many duties of the reform of the political system have been urgently raised for the people. We will ruin the big picture if we lack understanding of this point, or inadequately understand it. One urgent topic of the reform of the political system will be to make up our mind, coordinate efforts and plans, organize carefully, integrate upper and lower levels, and implement step by step, so as to basically accomplish the arduous historic duty of reforming organs and streamlining administration in three years. At present, we should actively realize transformation of government functions, and create conditions for enterprises to enter the market. This year, the country and various localities have to elect new people's congresses and form new governments. Through these important activities, we must seriously implement the people's democratic rights to be the master, further improve the system of people's congresses, strengthen the legislative and supervisory functions of people's congresses and their standing committees, and better develop the function of deputies to people's congresses; we must perfect the multiparty cooperation and political consultation system led by the party, consolidate and develop the patriotic united front in the new period, and give full play to the role of the Chinese People's Political Consultative Conference in political consultation and democratic supervision. To build a socialist market economy system, it is necessary to have a complete system of laws and regulations, to create a good economic order and market environment for fair trade and equal competition. Therefore, legislation for economic work must be stepped up. Other democratic systems and measures must be seriously improved, perfected, and implemented according to the spirit of the 14th party Con-

Concerning the problem of building socialist democratic politics, we must be good at absorbing and borrowing every outstanding fruit of human civilization, but we must resolutely walk our own road, and we should neither view books as dogmas, nor indiscriminately copy from foreign models. Led by the party, and guided by Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics, we must uphold the party's basic line, proceed from the country's condition which is the initial stage of socialism, emancipate the mind, seek truth from facts when exploring effective ways to build socialist democratic politics, grasp the principle and steps of the reform of the political system, actively and steadily promote the reform of the political system, make marked progress in developing socialist democracy and legal system building, consolidate and develop the stable and united political situation, and guarantee a smooth process of economic construction, reform, and opening

Building socialist democratic politics with Chinese characteristics is a difficult and arduous historic duty and a great goal for which we Communists are fighting. Let us be encouraged by the spirit of the 14th party Congress, boldly explore, actively advance, and struggle for building our country into a rich, strong, democratic, civilized, socialist, and modernized country.

Security Ministry on Foreign Entries, Exits

OW2301112793 Beijing XINHUA in English 1113 GMT 23 Jan 93

[Text] Beijing, January 23 (XINHUA)—The number of foreign and Chinese travelers entering and departing from China in 1992 reached 88.26 million, 25.2 percent more than in the previous year, setting an all-time high.

This was released by the Bureau of Exit, Entrance and Border Administration under the Ministry of Public Security.

In 1992, foreign arrivals in China grew by 47.8 percent from 1991 to 4.006 million, also an all-time high. The number of Chinese compatriots in Hong Kong, Macao and Taiwan as well as Overseas Chinese throughout the world also increased markedly to reach 70.77 million.

The number of residents on the mainland of China who departed from and entered the country for private affairs was up 43.1 percent from 1991 to reach 2.288 million.

About 77.2 million, or 87.4 percent of the total of the travelers entered or departed from China through the ports in south China's Guangdong Province. The numbers of the travelers entering and departing from China through the ports of Beijing, Shanghai, Heilongjiang and Fujian were 2.3 million, 1.95 million, 1.36 million and 871,000 respectively, all of which rose remarkably compared with the previous year.

Economic & Agricultural

Commerce Ministry Introduces Reform Measures HK1901070093 Beijing RENMIN RIBAO in Chinese 28 Dec 92 p 2

[Report by Su Ying (5685 7751): "Ministry of Commerce Puts Forward New Reform Measures"]

[Text] Recently, in accordance with the spirit of the 14th CPC National Congress and the unified policy decision of the central authorities, the Ministry of Commerce put forth 10 major tasks for commercial reform and development in the nineties.

1. To build a big market, participate in big circulation, and develop a big commerce. State-owned commerce (including grain departments) and the commerce of the supply and marketing cooperatives should make positive efforts to cultivate and build up a market and establish a price system guided by the market to suit the demands of the socialist market economy. They must smash the barriers among regions and departments, ensure the unimpeded flow of commodities, and further promote the formation

and development of a unified big commodity market. The departments in charge of commodity circulation must study the methods for common development of the developed areas and underdeveloped areas through economic associations, rationally allocate resources, and achieve the purpose of common development and common prosperity.

2. To give play to the guiding role of state-owned con merce and the commerce of the supply and marketing cooperatives in market competition. At present, and also in a period to come, the state-owned commercial departments and the supply and marketing cooperatives must firmly grasp the central link of changing the operational mechanism of enterprises and the implementation of the "Regulations on Changing the Operational Mechanism of State-Owned Industrial Enterprises" and the "Methods for Implementing Regulations on Changing the Operational Mechanism of State-Owned Commercial Enterprises," accelerate the pace of changing the operational mechanism of enterprises, and push enterprises into the market so that they can really become economic entities carrying out independent operations, assuming sole responsibility for their profits and losses, and developing and restraining themselves and the main body of market competition and so that the state-owned commerce and the commerce of the supply and marketing cooperatives can play their guiding role more effectively. At the same time, it is necessary to increase the level of organization and encourage enterprises to establish enterprise groups by economic means, with assets as the links. When conditions allow they can carry out experiments on reform of the shareholding system. The small state-owned enterprises can also be sold to collective or individuals by means of contracting, leasing, or selling, They can also develop chain stores. To increase the degree of modernization of the enterprises under public ownership, it is necessary to adopt various methods to raise funds, including imports of foreign capital, and use all kinds of advanced science and technological achievements, management technologies, and modern equipment to improve the operation facilities of commercial enterprises and increase their level of scientific management.

It is necessary to vigorously develop collective commerce, support the development of individual commerce, and give play to their helpful supplementary role in the unified socialist market.

3. To take an active part in the construction of the collectivized service system in agricultural production. The supply and marketing cooperatives and the commercial and grain departments must regard serving the rural areas and the broad masses of peasants as a main task in the future. The supply and marketing cooperatives must continue to regard providing systematic service for agriculture as their own task and extend their service spheres. They must actively support the development of mass agricultural production, the development

of high-quality, high-yield, and high-efficiency agriculture, and the development of intensive and scale operation in agriculture. They must support the collective sector of the economy to increase their economic strength and support the development of integration of production, supply, and marketing of agricultural products.

- 4. To actively develop tertiary industry. The work of commercial departments at all levels must be suited to economic structural readjustment. The initiative of the state, the collective, and the individual should be brought into play, and the development of the tertiary industry should be accelerated. It is necessary not only to vigorously develop commerce and the catering and service trade, but also to take an active part in the development of tertiary industry, such as financial business, insurance, tourism, information, legal affairs, accountancy, audit, consultation, and daily service for residents. It is necessary to give play to the strong points and superiority of the commercial departments, develop some new industries and new service spheres to serve the market economy and commodity circulation, and increase the level of service.
- 5. To change government functions and reform commer-cial administration and management. It is necessary to do a good job in changing the functions of commercial administration and management organizations at various levels and do a good job in organizational reform under the unified leadership and arrangement of the central authorities and the party committees and governments at various levels. The duties and responsibilities of government administration and enterprise management should be separated and the powers of the enterprises should be returned to them. The main tasks of commercial administration and management departments are to make overall planning, implement policies, provide information guidance, coordinate relations, and provide service, examination, and supervision. They are also responsible for the storage as well as regulation and control of a small number of important commodities. The management of market should be changed from the past practice of mainly carrying out direct management to a practice of mainly carrying out indirect management. The management of various trades should be geared to the needs of all trades in society, all departments, and all commercial enterprises in various economic sectors rather than a mere management of the commercial departments, grain departments, and supply and marketing cooperatives, which was a practice in the past. The methods of management should be changed from the old track of carrying out management mainly by administrative means to a new track of combining administrative means with economic and legal means, with stress on the latter.
- 6. To vigorously develop an export-oriented economy and to take an active part in and adapt ourselves to the connection of the domestic market and the international market. The commercial administration departments and enterprises must take an active part in both

- domestic and international competition. They must pay attention to the study of the new situation of market circulation after China's status as a signatory state to GATT is restored, adapt themselves to this new situation, and meet the new challenge. The industrial and commercial enterprises in our country must participate in international trade on more occasions. When the conditions exist, the commercial enterprises should make positive efforts to obtain the power of carrying out foreign trade and actively import foreign funds as well as advanced technologies, equipment, and operation and management methods. They should create conditions to promote foreign economic and technological cooperation, such as exporting labor and contracting foreign projects. In those areas where conditions allow, positive efforts should be made to make use of foreign funds to develop retail commerce.
- 7. To vigorously develop the industries run by commercial departments in order to suit economic structural readjustment. The industries run by commercial departments must make positive use of foreign funds, import advanced technologies and equipment, and carry out technological transformation in the traditional industries and trades. They should suit their measures to local conditions, make full use of the superiority of local resources, and develop new projects. To satisfy the needs of both urban and rural markets and both domestic and international markets, they must increase the level of their products, upgrade their products, develop new products and new techniques, increase economic returns, and help enrich and enliven the market and increase the people's standard of living.
- 8. To attach importance to science, technology, and education and improve the quality of the commercial departments as a whole. It is necessary to vigorously develop commercial science and technology and increase their level. It is necessary to use high and new technologies and new equipment to arm the commercial departments and achieve modernization in commercial management, commodity circulation, material circulation, and information circulation.

Commercial education must suit the needs of reform of the entire educational system and commercial circulation system. Corresponding reform and readjustment should be carried out in commercial education so it can serve commercial reform and modernization.

9. To strengthen construction of commercial legal system. It is necessary to strengthen legislation and the enforcement of laws and supervision so that commerce in both the macroeconomic and microeconomic sense can be regularized. This is an important task for commercial management in the future. While working out the "Law on Commerce," it is necessary to take an active part in working out and perfecting a series of laws and regulations on protecting fair competition, opposing regional barriers, standardizing trade conduct and market order and so forth, so that commercial activities can be carried out and administered in accordance with the law.

10. To continue to grasp both civilizations at the same time. While strengthening building of material civilization, it is necessary to make great efforts to build socialist spiritual civilization. In view of the specific characteristics of commerce, it is necessary to educate all the workers and staff on the commercial front to foster correct ideals, convictions, and value concepts and acquire the moral standards which are in conformity with the needs of the market economy. It is necessary to train a contingent of commercial workers and staff in accordance with the demand of "having lofty ideals, moral integrity, a good educational background, and a sense of discipline."

People's Bank Governor on Reform Proposals

HK2001001093 Beijing ZHONGGUO XINWEN SHE in English 1419 GMT 19 Jan 93

[Text] Beijing, January 19 (CNS)—State councillor and Governor of the People's Benk of China, Mr Li Guixian, speaking at a national banking work conference here yesterday, said that China's financial reform should be conducted in five sectors.

First, China's financial system will be built into one with division of work and coordination of multi-financial institutions with state-owned commercial banking as its core under the leadership of the central banks.

Second, the system will be built into a national financial market system with high-efficiency and fairness, openness and integration.

Third, the system will be built into one with a combination of direct and indirect regulation and control, gradually becoming one with indirect regulation and control as its main feature.

Fourth, the system will be built into a financial management one based on legislation, standardization and modernization.

Fifth, openness in the financial sector will be further enlarged, gradually raising financial business to international standards.

Commerce Minister on 'New Business People'

OW1701123493 Beijing XINHUA Domestic Service in Chinese 1047 GMT 15 Jan 93

[Text] Beijing, 15 Jan (XINHUA)—According to ZHONGGUO SHANGBAO [CHINA COMMERCIAL PRESS], Hu Ping, minister of commerce, recently delivered a speech entitled "Cheers to the Thousands of Business People of the New Era." He expounded the inevitability and importance of cultivating "new business people," the qualities that these "new business people" should possess, and other issues. He suggested drawing media attention to the question of nurturing "new business people."

On the sources and qualities of "new business people," Hu Ping stated: At present, new business people come mainly from three sources. First, they come from enterprises owned by the state and by the collectives. Second, they are peasants who have matured through hard work in market competition. Third, they come from various individual and private businesses. Hu Ping maintained: "New business people" have fought their way through market competition; they are not cultivated by artificial means, much less appointed by administrative departments. They should at least possess the following qualities: 1) Dedication and a pioneering spirit; 2) a resolute and virtuous style; 3) faith and sincerity; 4) courage in taking risks; 5) a capability to recognize and hire qualified people; and 6) self-reliance and self-discipline.

Discourages 'Gimmicky' Sales

HK2201085793 Beijing CHINA DAILY in English 22 Jan 93 p 1

[Report by staff reporter Ma Ziphing: "A Gimmicky Sales Tactic Is Assailed"]

[Text] The growing practice in some parts of China of promoting goods by offering huge prizes, ranging from cars to apartments, has been discouraged by the Minister of Commerce, Hu Ping.

He has called on retailers "to tune down" such promotional tactics.

Industrial enterprises and department stores should switch their attention to improving service quality and management, he said. Only by doing so can they keep their business volume growing, the minister added at a seminar on commercial culture held over last weekend in Zhengzhou, Henan Province.

The practice of selling goods with huge prizes has been very popular in some inland cities like Zhengzhou and Xian in recent years. The awards have been moving up from refrigerators and washing machines to cars and apartments.

Some of the seminar participants said prize-attached sales have helped promote the economy in China, but others were against the practice.

Most participants suggested that such sales should be better guided, since some retailers have taken advantage of the practice to sell substandard goods or to deceive consumers.

Meanwhile, a national exhibition sales month, which began on September 10 in Beijing and 20 other large cities, has had good social and economic efects, said one of the organizers at an award-giving ceremony in Beijing yesterday.

Five hundred kinds of domestically-made products won awards from the special sales activities, which were organized by the Ministry of Commerce to help bring vigour to national industry and enhance the market competitiveness of home products.

Organizers said the sales exhibition, the first such national campaign in China in the past 40 years, attracted commodities worth over 5 billion yuan (\$909 million) from 10,000 commodity manufacturers around the country.

Industry Minister on Impact of Market Access

OW1701130793 Beijing XINHUA Domestic Service in Chinese 0703 GMT 15 Jan 93

[By reporter Sun Jie (1327 2638)]

[Text] Beijing, 15 Jan (XINHUA)—The Ministry of Chemical Industry today held a grand rally to commend six state-level young and middle-aged experts who have made outstanding contributions, as well as 500 experts who enjoy special government allowances with the State Council's approval. Minister of Chemical Industry Gu Xiulian said: In the new situation, our country's chemical industry is pursuing innovate and independent developments, and the broad ranks of scientific and technological personnel are tasked with a weighty historic mission.

Gu Xiulian said: This year, our country will implement the Sino-U.S. Memorandum on the Protection of Intellectual Property Rights and Market Access; it may restore its status as a GATT signatory. Over the long term, this will create a favorable foreign trade environment that will help expedite scientific and technological progress in the chemical industry, promote the readjustment and optimization of the industrial structure, and facilitate the chemical industry's competition in the international market. In the immediate future, however, it will have some adverse effects. Two-thirds of the chemical industrial enterprises and half of the products manufactured by the chemical industry will suffer varying degrees of adverse effects. In these circumstances, we should carefully select key enterprises and products, concentrate our efforts on them, and encourage them to pursue innovative and independent development. The scientific and technological ranks must heighten their sense of urgency and mission, and they must make greater contributions toward attaining or surpassing advanced world levels of science and technology associated with the chemical industry.

It is understood that the Ministry of Chemical Industry currently has 609 personnel who enjoy special government allowances and 29 young and middle-aged statelevel experts who have made notable contributions.

State Planning Commission on Service Industry

OW2001141993 Beijing XINHUA in English 1352 GMT 20 Jan 93

[Text] Beijing, January 20 (XINHUA)—The State Planning Commission has predicted that China's service industry will see a growth rate of nine percent this year.

According to reports from the commission, this year the country will attach importance to the development of a market system and communications. To create a better environment for the industry, the commission will strengthen policies to guide its development and try to get a better understanding of its base number through a general survey, the first of its kind to be held in China.

The country will set up a group of national wholesale markets for such production materials as nonferrous metal, steel, grain, coal and cotton. It will also develop further wholesale markets at local levels. Wholesale markets for edible oil, meat and sugar will also be developed step by step.

The country will increase investment in communications, especially railway transportation, and adopt policies to encourage various forms of domestic and foreign investment in communication and telecommunications projects.

The service industry, including the commodity market and real estate, saw a rapid increase in 1992. The country has set up two metal exchange markets in Shenzhen and Shanghai. The State Council has approved the establishment of several Sino-foreign joint ventures in the retail business in various cities last year. At the same time, the real estate sector prospered when the country further extended the permissible length of leasing terms of state-owned lands.

The Central Committee of the Chinese Communist Party and the State Council made a joint decision last June on accelerating the development of the service industry. The industry grew at 8.5 percent last year.

On Overseas Investment

OW2501111893 Beijing XINHUA in English 1055 GMT 25 Jan 93

[Text] Beijing, January 25 (XINHUA)—China absorbed 17 billion U.S. dollars of overseas investment last year, nearly 50 percent more than in the preceding year, according to statistics from the State Planning Commission.

Of this sum, direct foreign investment came to 9 billion U.S. dollars and the rest were medium- and long-term loans.

China's use of overseas investment reached a peak in 1992 with the number of approved foreign-funded projects and the amount of contracted foreign investment both approaching the total in the previous 13 years. For the first time, the amount of overseas investment surpassed that of overseas medium- and long-term loans.

The scope of overseas investment was expanded to cover retailing business in Shanghai, Beijing and Guangzhou, and tourist villages in Dalian, Qingdao, Hangzhou and Kunming.

With further opening-up, capital cities of hinterland provinces and cities along the Yangtze and on the borders offerred preferential policies similar to those in the coastal open cities, making breakthroughs in the use of overseas investment.

Last year's overseas funds, especially overseas loans, facilitated China's development of basic industries and infrastructure and the technological transformation of enterprises.

In 1993, China will further expand the use of overseas investment to meet the development of the national economy.

For this purpose, the country is to direct overseas investment mainly to infrastructure, basic industries, technological transformation of enterprises, and capitaland technology-intense industries as well as banking, commerce, tourism and real estate.

While supporting the economic development of coastal areas, the country will guide overseas investors to invest in the promotion of hinterland economy.

China will strengthen the macro-control and administration over the introduction and use of overseas investment to secure better efficiency of such investment. Local authorities will be given more power to approve related projects, and better services will be provided.

Vice Minister on Progress in Foreign Trade

HK2601051293 Beijing GUOJI SHANGBAO in Chinese 22 Dec 92 p 1

[Report by Zheng Zhihai (6774 1807 3189) and Fan Xuehui (5400 1331 1979): "At the National Foreign Economic Relations and Trade Work Conference, Vice Minister Wu Yi Says China Gets an Overall Bumper Harvest in Foreign Economic Relations and Trade This Year"]

[Text] This year has seen an overall bumper harvest in China's foreign economic relations and trade, said Wu Yi, vice minister of foreign economic relations and trade, at the national foreign economic relations and trade work conference held in Beijing on 20 December.

Wu Yi said: This year, the vast numbers of cadres and staff members in the departments of foreign economic relations and trade and affiliated organizations have conscientiously studied and implemented the spirit of Comrade Deng Xiaoping's important talks during his southern China tour and the plenary session of the central Political Bureau and, given the energetic coordination and support of all local governments, departments, and commissions, worked hard to innovate and forge ahead. They have scored fruitful achievements in all fields of endeavor. These achievements chiefly find expression in the following:

—The development speed of foreign economic relations and trade has accelerated markedly. Foreign trade has maintained its momentum of high growth. According to customs statistics, in the first 11 months of this year China's import and export trade volume reached \$140.94 billion, an increase of 20.8 percent over the same period last year.

The pace of using foreign funds has been further quickened. In the first 11 months of this year, China approved a total of 40,291 foreign investment projects, involving \$45.89 billion in foreign funds, an increase of 260 percent and 380 percent, respectively, over the same period last year. The actual input of foreign funds was \$8.34 billion, up 150 percent over the same period last year. The sphere of foreign investment has been further expanded. While the number of productive projects has kept on increasing, foreign funds have also been introduced into some tertiary industrial fields. The agreed amount of foreign loans basically equals that in the same period last year; the actual used amount increased by 6.8 percent over the same period last year.

The import and export of technology has grown steadily. In the first 11 months of this year, China approved 240 technology import contracts, involving \$5.6 billion, an increase of 66 percent; examined and approved 170 technology export contracts, involving \$1.4 billion, an increase of 56 percent over the same period last year.

Contracted projects in foreign countries and cooperation in labor services have developed steadily. In the first 10 months of this year the amount of newly signed contracts for projects in foreign countries and labor service cooperation was \$5.11 billion, and the completed turnover was \$2.23 billion, an increase of 78 percent and 40 percent respectively over the same period last year. By the end of last October, the number of people carrying out the contracts abroad was 127,000. A total of 261 overseas non-trade enterprises were approved, involving a total investment of \$273 million. Of this, the investment of the Chinese side was \$126 million, accounting for 46 percent.

Moreover, fairly good achievements have also been scored in economic and technological aid to developing countries and in the multilateral economic and trade cooperation with the UN development departments.

-The economic returns have improved slightly.

By the end of last October, the proportion of exported manufactured goods was 79.6 percent, an increase of 2.4 percentage points over the same period last year. Of this, the export of machinery and electrical products was \$14.69 billion, up 38.2 percent over the same period last year, and their proportion in the nation, total exports rose to 22.5 percent. After deducting the petroleum factor, the cost of foreign export rose by 4.3 percent over the same period last year, lower than the increase margin of the nation's price index. The turnover rate of circulating capital was 2.7, equalling the figure in the same period last year. With the rising prices and increased transport charges, miscellaneous charges, and warehouse

charges, the level of export charges has risen slightly. The situation of trade receipts and expenditures has improved continuously.

The economic returns and social benefits of using foreign funds have improved markedly. In the first 11 months of this year, the export of the foreign-funded enterprises was \$12.7 billion, increasing by 65.4 percent over the same period last year, or accounting for 19.1 percent of the total export volume; foreign-related taxation is estimated to top the 10 billion yuan mark this year, an increase of more than 47 percent over last year.

Twenty-nine complete sets of projects in aid to foreign countries were completed, two more than the 27 projects completed in the whole of last year. China has also attained fairly good economic returns and social benefits in other foreign economic and trade businesses.

—Some new headway has been made in implementing the strategy of winning victory through quality.

This year the economic and trade departments and their affiliated organizations have attained some results by conscientiously implementing the development strategy of winning victory through quality, by improving the relevant management system, and by paying close attention to the quality of export commodities and all fields of endeavor.

The quality of export commodities has improved slightly. According to statistics by the State Administration of Import and Export Commodities Inspection, in the first 10 months of this year the ratios of China's export commodities failing to reach the standard were 1.82 percent and 1.6 percent in terms of batches and value, a drop of 0.59 and 0.19 percentage points respectively over the same period last year. This shows that initial results have been attained in practicing the export quality licensing system. The rate of fulfilling export contracts has stabilized or risen, and China's export commodities reputation has risen slightly.

-Foreign economic and trade markets tend to diversify.

In the first 10 months of this year China's import and export trade volume with African countries was \$1.29 billion, an increase of 22.9 percent over the same period last year and the proportion in China's total trade volume rose by 0.04 percentage points; its volume with Latin American countries was \$2.26 billion, up 20.3 percent, and its proportion in the country's total trade volume rose by 0.01 percentage points; its volume with the former Soviet regions was \$4.76 billion, an increase of 58.3 percent, and its proportion in the country's total trade volume rose by 0.94 percentage points. The trade volume with Russia alone exceeded that with the former Soviet Union last year.

From the national work conference for implementing the market diversification strategy last year to the end of November this year, the Ministry of Foreign Economic Relations and Trade and local economic and trade

departments approved the setting up of 199 trade institutions overseas, most of which were in key development regions. Twenty-three large department stores from 12 provinces and cities in China have set up shops in the Commonwealth of Independent States. China has also set up trade and distribution centers in Hungary, South Africa, Spain, Argentina, Australia, Mongolia, and Cyprus.

We have further widened the sources of foreign capital and further developed the market of contracted projects in foreign countries and labor service cooperation.

Talking about the reasons for such achievements, Wu Yi said: First, China's political and social stability and economic growth have created a favorable condition for the development of foreign economic relations and trade. The state's correct policy decisions and leadership have pointed the way to develop foreign economic relations and trade. Second, the reform of foreign trade structure has continued to deepen and, in particular, the internal reform of foreign trade enterprises has taken a new step forward and the export structure is more in line with international trade standards. With the change of internal operation mechanism as the center, foreign trade enterprises have enforced all forms of economic responsibility systems, and have made marked progress in launching industrialized, group, and internationalized operations. Third, the close coordination between foreign economic relations and trade on the one hand and diplomatic work on the other has created a relatively good international environment for the development of foreign economic relations and trade. Fourth, the departments concerned have stepped up support for and coordination with economic and trade work. For example, since the beginning of this year, export tax refund, especially central financial tax refund, has been carried out promptly; to encourage implementation of the strategy of diversifying markets and the export of machinery and electrical products, the banks have set up export credit funds; and the departments concerned, such as the import and export commodities inspection, customs, foreign exchange control, transport and communications, have actively coordinated with each other in lending strong support to economic and trade work. Fifth, with the support of various local governments, economic and trade departments at all levels have worked with one heart and one mind in carrying out the three key points, namely, deepening the foreign trade structural reform, winning victory through quality, and implementing the strategy of diversifying markets, and grasped the essential points to bring along the rest. Party. government, trade union, and Communist Youth Leagues organizations have made concerted efforts and, working in close coordination, they have led the vast numbers of workers and staff members in overcoming difficulties and making energetic innovations, thus making their own contributions to economic and trade development.

In his speech, Wu Yi also laid emphasis on issues to which attention should be paid. They are chiefly as

follows: The lag in reforming import structure has increased trade frictions between China and some countries; the situation of overconcentrating on some markets has not been fundamentally reversed and, in particular, trade with developing countries has not developed rapidly enough; the situation regarding the quality of export commodities and of economic and trade work has not been fundamentally changed and what merits particular attention is that there is serious problem in the quality of commodities exported to developing countries and CIS countries; there is also a fairly serious quality problem in foreign-aid projects, which has seriously discredited China's reputation; we tend to pursue the quantity of projects in absorbing foreign investments rather than pay attention to guiding foreign investment and the input rate of foreign capital is low; the coordinated measures for changing the operation mechanism of economic and trade enterprises are still incomplete, and this has affected the reform of economic and trade enterprises and restricted the development of foreign economic relations and trade as a whole.

Government To Provide More Export Insurance HK2001053193 Beijing CHINA DAILY in English 20 Jan 93 p 2

[Report by staff reporter Liu Weiling: "Export Insurance Sales To Skyrocket"]

[Text] China plans to offer more long and medium-term export insurance this year to help promote foreign trade with developing countries.

Exports also predict that demand for the business, which was opened to help China diversify its overseas market, will increase rapidly since China is boosting its foreign trade with developing countries in Asia, Africa and Latin America and with Eastern European countries.

The service was launched last August by the People's Insurance Company of China (PICC). It has been warmly welcomed by China's foreign traders who conduct trade with higher-risk, developing countries, according to Dai Yongbao, general manager of the export credit insurance department of PICC.

So far traders interested in this kind of insurance have conducted deals with such countries as Iran, Indonesia, Sri Lanka, Brazil, Cuba, Pakistan, Bangladesh and Thailand.

Last December, PICC insured China Communications Import and Export Corporation for the export of big buses to Sri Lanka.

It also helped the China Machinery Import and Export Corporation to export two ships to Hong Kong.

These two insurance deals cover a period of 10 years.

In addition, PICC will soon provide insurance for China's export of a power station to Indonesia and 11 cement production lines to Iran, Dai said.

The PICC has promised to insure several other projects, Dai said.

With such insurance, Chinese traders are covered since they can get back what they are owed even if they can't get the money from the foreign buyers, Dai said.

So exporters are encouraged to conduct deals with foreign buyers who can't offer letters of credit, Dai said.

PICC also undertakes investigation of a buyer's credit and their ability to pay debts, Dai said.

If the risk is too high, it will persuade the Chinese enterprises to stop the export deal to avoid unnecessary losses.

The government has promised to provide \$100 million before 1995 to finance the business.

However, to develop the business to meet the growing demand, more capital is needed, Dai said.

In addition, lack of information and experience also made PICC cautious in extending the service, he said.

PICC hopes it can join the International Association of Export Credibility Insurance and Guarantors, an organization of over 30 countries' underwriters, in the first half of this year.

Private Sector of Economy Continues To Grow OW2101131393 Beijing XINHUA in English 1236 GMT 21 Jan 93

[Text] Beijing, January 21 (XINHUA)—The private sector of the economy grew by 28.8 percent in 1992, much faster than in 1991, according to the Information Center of the State Administration for Industry and Commerce today.

The number of private enterprises at the end of 1992 grew 139,000, with a total registered capital of 22.13 billion yuan, and the total employment in this sector came to 2,319,000.

However, the private sector of the economy has not reached the 1988 level although it began to rise from April 1990 after a big lowing [as received] down in the late 1980s.

The private sector grew the fastest since the latter half of 1992, with private enterprises in urban areas growing faster than in rural ones, and the total annual output value reached 20.5 billion yuan.

Liu Minxue, director general of the State Administration for Industry and Commerce, urged continued efforts to emancipate the mind, further relax policies and create the conditions for competition on an equal footing.

There should be a bigger development of the private sector of the economy, especially in the less developed central and western parts of the country, he said.

XINHUA Reports Social Development Progress

OW2601082393 Beijing XINHUA in English 0429 GMT 26 Jan 93

[Text] Beijing, January 26 (XINHUA)—China will continuously speed up social reform and development to improve people's living standards in the New Year.

According to the State Planning Commission, priority will continue to be given to education while advancing socialist culture and ethics.

Family planning will be continued with the aim of holding the population to 1.19 billion. At the same time reform of the social security system will see the number of hospital beds increase to 2.8 million by the end of the year.

The state will enrol 786,000 college students and 900,000 technical school students this year, while localities may also enrol students.

Last year saw rapid progress in nine-year compulsory education, technical and professional training and preschool, special and adult education.

Altogether 2.18 million students studied in higherlearning institutions last year, an increase of 6.9 percent over the previous year. The problem of sub-standard buildings has been beaten.

Most households have radio and television, according to the commission, while libraries, museums, cultural centers, singing and dance halls have built in many communities

As a result of government efforts, rural medical and health care has further improved and the incidence of infectious diseases dropped last year.

China received 37 million tourists from overseas last year, 11 percent more than 1991, and earned 3.7 billion U.S. dollars from tourism, an increase of 30.3 percent.

Fast economic development helped reduce urban unemployment, improve wages and the reform of the social security system, and raise the general standard of living.

Market Economy Brings Changes to Rural Life HK2101034393 Beijing CHINA DAILY in English 21 Jan 93 p 4

[Report by Xi Mi: "Market Brings Change Down on the Farm"]

[Text] "I am from Guangdong Province. In the coastal areas it is not unusual for a farmer to demand to be paid for helping a driver find his way," Liu Xiaomin said. He was attending a conference about the impacts of the decade-long rural reform.

"I can genuinely understand that. In Yunnan's hinterland, even people of the Hani nationality have become more economically-conscious," another man from Yunnan Province responded at the conference sponsored by the Institute of Rural Development under the Chinese Academy of Social Sciences.

"A few days ago, our cab was stopped by a pile of stones rolling down from the mountainside in the rain. Then we saw a man with a spade. He agreed to lend us the spade to clear the way, but he would charge us 2 yuan (about 35 cents). He was a Hani."

The experts and officials at the meeting also discussed other changes that have taken place among China's rural population since the late 1970s.

"Farmers were deprived of the right to determine what to plant when the people's communes were formed in the 1950s," Professor Zhang Houan from Central China Normal University said.

"The implementation of the household responsibility contract system in the late 1970s has returned this right to farmers."

Zhang said that in the past most rural residents were farmers. But now at least 124 million of them are involved in non-agricultural activities. They have become workers in township enterprises, self-employed or hired labourers, enterpreneurs and managers.

"Due to the rural reform, many traditional rural communities are on the wane," argued Jiang Zhengxing, deputy director of the Agricultural Commission of Chuxian Prefecture, Anhui Province.

He said many talented farmers have left their hometowns to do business. It is difficult for fellow villagers, friends and relatives.

Also the cohesion in the local communities has considerably abated as economic interests are becoming more important than blood relations.

Farmers tend to disregard the deterioration of their living environment. They might spend a lot of money furnishing their new houses, but are not very concerned about their neighbourhood.

"When the farmers leave their hometown, their contracted land is usually recontracted to other farmers," Jiang said.

According to Jiang, those who cultivate the land of other farmers need only pay the money stipulated in the contracts.

"Hence they have no other social responsibilities that come with the land. This might be a way to turn the land into a common productive factor. Now land is not only a productive factor, but also a key item indicating farmers' social relations."

In general, farmers have become far more pragmatic after years of reform. They are also more aware of their rights and of the importance of knowledge. "But still, many farmers are far from well-prepared for the implementation of the market economy."

Jiang pointed out that some traditional conceptions held by farmers might stand in the way of developing the market economy.

To a certain extent, they still rely heavily on the government and feel insecure when away from their hometowns.

"They have long been used to living off the land, and hence some of them still remain slack, conservative and exclusive to people from other areas," Jiang said.

"Therefore it will be disastrous to push farmers into the market," echoed Professor Chen Jiyuan, director of the Institute of Rural Development under the Chinese Academy of Social Sciences.

At present, not many farmers can endure the price fluctuations.

Last year in certain areas in Anhui Province, the price of grain was as low as 360 yuan (\$62) per ton.

The decrease of grain prices was partly caused by the government. Many government departments responsible for purchasing grain from farmers are unwilling to buy grain, for they have to spend 140 yuan (\$25) a year storing a ton of grain.

What's worse, some departments sell their old storage of grain before purchasing a new batch of grain, thus artificially lowering the grain price in the market.

As a result, many farmers gave up farming for more profitable endeavours; the desertion might benefit some farmers but will have serious consequences in the long run.

To safeguard farmers' interests, Chen suggested that farmers sign contracts with the government concerning the cultivation and sales of farm products. Farmers can also form unions and other intermediate organizations to represent their rights.

Experts at the meeting also voiced their concern about developing township enterprises and large scale production.

They said that even though the large scale production has advanced in the relatively developed regions, the same might not apply in other areas.

For example, a township in Beijing spent at least 2 million yuan (\$350,000) importing farming machinery. Surely such modern equipment is efficient, but is used for only a week in a year and is in accessible to farmers in relatively poor regions.

They held that large scale production should not be recommended nationwide.

As for the ongoing movement in some areas to "wipe out" villages without township enterprises, the experts said it is important to further expand township enterprises, but it will be dangerous for the authorities to demand that every village should have its own township enterprises.

Chen Junsheng Calls For Easing Peasants' Burden

OW2601084093 Beijing Central Television Program One Network in Mandarin 1400 GMT 15 Jan 93

[From the "Night News" program]

[Text] [Video opens with a long shot of a meeting room, then cuts to a closeup shot of Chen Junsheng addressing the gathering, and shows panned shot of participants taking notes] At a discussion meeting in Yanan on 15 January with provincial party committee secretaries, provincial governors, and mayors of some provinces and cities, State Councillor Chen Junsheng said emphatically: The key to strengthening the status of agriculture as the foundation of the national economy is to lighten the burden of peasants and to firmly protect their interests. At present, we should try to bring about a temporary solution to this problem, but we must get to the root of this problem and solve it on a long-term basis. All areas must lose no time in implementing the instructions of the central authorities and be determined to solve this problem.

Chen Junsheng said: If peasants are saddled with too heavy a burden, their enthusiasm will be affected. Besides, this has become a question affecting their means of subsistence. Indiscriminate fund-raising, collection of fees, setting of quotas, and issuing of IOU slips to peasants in various areas have become a serious problem. At present, all areas must adopt resolute measures and concentrate forces to solve this problem in a prescribed period of time.

Rural Enterprises Report New Achievements

OW2301124893 Beijing XINHUA in English 1234 GMT 23 Jan 93

[Text] Beijing, January 23 (XINHUA)—Rural enterprises in east China's Jiangsu Province once again topped the list for output in 1992. Their combined output were valued at over 300 billion yuan (about 53 billion U.S. dollars).

Until 1992, only three provinces, all concentrated in east China, had exceeded the mark of 100 billion yuan (about 17.2 billion U.S. dollars) in terms of annual output value by rural enterprises. These were Jiangsu, Shandong and Zhejiang. Last year, four more provinces, Guangdong in south China, Henan in central China, Sichuan in southwest China and Hebei in north China, reported that rural enterprises in their provinces produced at least 100 billion yuan last year.

The geographical improvement of rural enterprises is a good indication of further economic development in the country's northern, central and western areas.

According to the Ministry of Agriculture, the rapid development of rural enterprises in these provinces last year can be attributed to the more investment and technological input, as well as policies adopted by the central and local governments to encourage the development of rural enterprises.

East Region

Chen Guangyi on Work for Fujian People's Congress

HK2201130793 Fuzhou Fujian People's Radio Network in Mandarin 1100 GMT 16 Jan 93

[Excerpts] From 15 to 16 January, the Standing Committee of the eighth provincial people's congress held its first meeting to study and discuss work for the Standing Committee of the new people's congress, and stated that it is necessary to properly do people's congress' work under the new situation in keeping with the spirit of the 14th CPC National Congress.

Chairman Chen Guangyi [provincial party secretary] and Vice Chairman Yuan Qitong presided over the meeting. At the meeting, Chen Guangyi expressed his views with special emphasis on how to implement the spirit of the 14th CPC National Congress and to exercise the functions and powers of the Standing Committee of the people's congress in accordance with laws. He said: The Standing Committee of the new people's congress must pay good attention to two jobs. First, in exercising its functions and powers, direct the main emphasis to advancing reform and opening up and economic development. Second, stick to the two types of work simultaneously and attach equal importance to both, and pay good attention to the law. Chen Guangyi said: The correct exercise of the functions and powers of the Standing Committee of the people's congress is to properly exercise the legislative power, decision-making power, supervision power, and the power to make personnel appointments and removals. It is necessary to stick to the party's guiding principles and properly carry out the people's congress' duties under the party's leadership. The government, court, and procuratorate are elected by the people's congress, and they are responsible to and are supervised by the people's congress. This is determined by China's fundamental political system. In daily work, the people's congress must maintain close ties with the government, the court, and the procuratorate and properly do work in coordination and agreement with them. It is necessary to stick to the principle of democratic centralism and strictly act in accordance with laws. Chen Guangyi hoped that the constituent members of the Standing Committee will strengthen study and strengthen inspection and research, enhance the sense of responsibility, and strengthen unity; and that with their own efforts, they can upgrade the overall quality and work performance of the Standing Committee of the people's congress. Chen Guangyi also put forward suggestions regarding the 1993 work arrangements of the Standing Committee of the provincial people's congress. [passage omitted]

At the suggestion of the meeting of the chairmen of the Standing Committee of the provincial people's congress, the session decided to appoint Dai Yongshan as director of the Rural Economy Commission of the Standing Committee of the provincial people's congress, Wang

Zhenhui as director of the Overseas Chinese Affairs Commission and the Taiwan Compatriots Work Commission of the Standing Committee of the provincial people's congress, and relieved (Song Jun) of the post of director of the Legal System Commission of the standing committee of the provincial people's congress, (Lei Jinyong) of the post of director of the Rural Economy Commission of the Standing Committee of the provincial people's congress, and (Wang Hao) of the post of director of the Overseas Chinese Affairs Commission and the Taiwan Compatriots Work Commission of the Standing Committee of the provincial people's congress.

Jiangsu Urges Enterprises To Modernize

OW2501125893 Beijing XINHUA in English 1245 GMT 25 Jan 93

[Text] Nanjing, January 25 (XINHUA)—Eastern China's Jiangsu Province is encouraging enterprises to modernize with high technology.

Wang Hongmin, director of the provincial commission of science and technology said the commission has designated 102 high-tech enterprises recently.

These enterprises sold 3.2 billion yuan worth of products last year, of which 75 percent were high-tech products.

They are involved in the fields of electronics, medicine, machinery and electrical appliances, and about 20 percent of their employees have college or technical school education background.

Wang noted that the provincial government has stressed the rapid progress of science and technology to form an industry with high technology in the 1991-1995 period.

Jiangsu has set up four high-tech development zones in Nanjing, Suzhou, Wuxi and Changzhou and Nantong cities.

Wang said these high-tech zones are taking the lead in boosting industries producing quality and technicallyadvanced products.

Wu Bangguo, Huang Ju Attend Shanghai Congress

OW2401011893 Shanghai WEN HUI BAO in Chinese 8 Jan 93 p l

["The Sixth Session of the Ninth Shanghai Municipal People's Congress Solemnly Opens"—WEN HUI BAO headline]

[Excerpts] The Sixth Session of the Ninth Shanghai Municipal People's Congress solemnly opened at the Shanghai Exhibition Center yesterday morning.

This is the last session to be held under the present term of the people's congress. Deputies to the meeting will seriously exercise democratic rights entrusted to them by law, cast their solemn votes on behalf of the municipal people, and elect outstanding and representative figures

from all sectors as deputies to the new National People's Congress [NPC]. [passage omitted]

Hu Chuanzhi, vice chairman of the municipal people's congress standing committee, explained to the session the Election Method of the Session (Draft). He said: The session is required to elect 70 deputies to the Eighth NPC. "The Election Method (Draft)" stipulates that we conduct a multi-candidate election. Therefore, the number of candidates for deputies should be one fifth times more than the actual number of deputies to be elected. The official number of candidates should be 84. [passage omitted]

Wang Chongii, vice chairman of the municipal people's congress standing committee, explained to the session the Decision (Draft) of the Shanghai Municipal People's Congress on the Amendment of Specific Articles in "The Rules of Procedure of the Shanghai Municipal People's Congress." He said: During the two years of their implementation, "The Rules of Procedure" played an important role in efforts to systematize and standardize work of the municipal people's congress and in ensuring that the municipal people's congress exercised its functions and powers according to democratic and legal procedures. However, during the implementation, we discovered that a number of articles were imperfect. Articles proposed to be amended include those concerning the time for holding the session; methods for electing the presidium and secretary general of the session; and the legally stipulated number of NPC deputies allowed to be present as observers at the municipal people's congress, number of requests permitted of deputies to ask organs under inquiry to resubmit answers, and number of requests permitted of deputies to ask for reconsideration of opinions carried in reports concerning motions examination. [passage omitted]

Seated in the front row of the rostrum yesterday were executive chairmen Wu Bangguo, Chen Tiedi, Sun Guizhang, Tan Jiazhen, Ye Shuhua, Li Jiahao, Wang Chongji, and Hu Chuanzhi.

Attending the meeting and sezted on the rostrum were municipal party and government leaders Huang Ju; Chen Zhili; Wang Liping; Chen Liangyu; Zhao Qizheng; Xu Kuangdi; Luo Shiqian; Jin Binghua; Zhang Huixin; Zhu Daren; Ni Hongfu; Liu Zhenyuan; Xie Lijuan; Xia Keqiang; Xie Xide; Wang Xing; Dong Yinchu; Zhang Ruifang; Yang You; Yan Dongsheng; Wu Zengliang; Chen Mingshan; Zheng Lizhi; Zhao Xianchu; Chen Haozhu; Gu Nianzu, president of the Municipal Higher People's Court; and Shi Zhusan, chief procurator of the Municipal People's Procuratorate. [passage omitted]

Shanghai Leaders Attend Memorial Rally

OW2301093693 Shanghai People's Radio Network in Mandarin 2300 GMT 18 Jan 93

[From the "Morning News" program]

[Text] The birth centennial of Comrade Soong Ching Ling, a great patriotic fighter for democracy, internationalism, communism, and honorary president of the PRC, will fall on 27 January 1993.

More than 1,000 people from all circles in Shanghai Municipality held a commemorative rally at the Friendship Auditorium yesterday [18 January]. Municipal party and government leaders Wu Bangguo, Huang Ju, and (Chen Liangyu) attended the rally. Other participants included Su Buqing, vice chairman of the National Committee of the Chinese People's Political Consultative Conference [CPPCC]; Lu Ping, director of the State Council's Hong Kong and Macao Affairs Office; and Israel Epstein, member of the Standing Committee of the National CPPCC Committee. Also attending the rally were Sun Zhiqiang, (Sun Suiying), and (Sun Suihua), who are relatives of Sun Yat-sen and Soong Ching Ling. They were seated on the rostrum.

Before the rally, municipal party and government leaders met with Sun Yat-sen and Soong Ching Ling's relatives and friends from abroad. Chen Zhili, deputy secretary of the Shanghai Municipal CPC Committee, spoke at the rally.

Huang Ju Sets Shanghai's Commercial Objectives

OW2201115693 Shanghai People's Radio Network in Mandarin 2300 GMT 13 Jan 93

[From the "Morning News" program]

[Text] Mayor Huang Ju addressed a commercial work meeting on 13 January. He called for attaining the objective of achieving some changes within the year and making major changes in three years with respect to operational mechanisms, facilities, management, and economic efficiency; and for creating a new situation and making new contributions.

Huang Ju said: In order to attain the objective, we should first emancipate our minds further, change our concepts, and accelerate the development of the commercial aspects of the tertiary industry. We should strive to raise the proportion of commerce in the gross domestic product from 7.7 percent at the present to 15 percent by the end of the Eighth Five-Year Plan. Next, we should clarify the objective of making major changes in commerce in three years; strive to establish a market system of high standards, first-rate shopping centers, highly efficient information transmission system, and highly efficient macroeconomic and microeconomic control mechanism; provide good-quality services, and achieve high economic returns. Third, we must pay more attention to major projects and make a breakthrough and blaze new trails in building large markets and emporiums and in forming large enterprise groups. Fourth, we must arouse the enthusiasm of all quarters for commercial undertakings, step out of the small confine of departmental commerce, and take the road of large-scale commerce. We should attract investment by central departments and other localities in Shanghai's commerce. While maintaining the dominant role of public ownership, we should accelerate the pace of developing private, individual, and cooperative commerce. At the same time, we should dare to participate in international competition abroad. Fifth, we must strengthen leadership and perform actual deeds.

Zhejiang Congress Discusses Electoral Issues

OW2401055693 Hangzhou Zhejiang People's Radio Network in Mandarin 1030 GMT 13 Jan 93

[From the "Provincial News Hookup" program]

[Text] The presidium of the First Session of the Eighth Zhejiang Provincial People's Congress held its fourth meeting this morning to discuss and decide on matters concerning the election of the session. Wang Yumin, executive chairman of the presidium, presided over the meeting.

After hearing reports by all delegations on their deliberations regarding candidates, and after a vote by a show of hands, the meeting finalized the namelists of regular candidates according to law. The namelists have been submitted to the people's congress session. Since the total number of special candidates who were each jointly nominated by more than 10 deputies exceeded what the electoral law allows, the meeting submitted according to law their namelists to the deputies for deliberation so that the presidium can, according to the opinions of the majority, make the final namelists conform to the law with respect to the maximum number of candidates allowed.

After a vote by a show of hands, the meeting adopted the namelist of chief scrutineers and the namelist of scrutineers.

Present at the meeting were executive chairmen of the presidium, Li Zemin, Chen Anyu, Ge Hongsheng, Wang Qichao, Xu Xingguan, Wu Minda, Wu Zhichuan, Li Yuhua, Wang Qidong, Zhu Zuxiang, and Yang Bin.

First Session of Seventh Zhejiang CPPCC Ends OW2401042093 Hangzhou ZHEJIANG RIBAO in Chinese 14 Jan 93 p 1

[Text] The First Session of the Seventh Zhejiang Provincial Committee of the Chinese People's Political Consultative Conference [CPPCC], after finishing all items on its agenda, came to a successful close in Hangzhou on 13 January.

The closing ceremony was presided over by Tang Yuanbing, vice chairman of the Seventh Zhejiang Provincial CPPCC Committee. Seated on the rostrum were newlyelected chairman of the Seventh Zhejiang Provincial CPPCC Committee, Liu Feng; and newly-elected vice chairmen, Sun Jiaxian, Chen Fawen, Wu Renyuan, Zhan Shaowen, Ding Deyun, Xue Yanzhuang, Que Duanlin [7067 4551 7792], Geng Dianhua, Zhang Kejian [1728 0344 0256], and Wang Xixuan [3076 1585 5503].

Also seated on the rostrum were provincial party, government and army leaders, Li Zemin, Ge Hongsheng, Shen Zunlun, Wang Qichao, Xu Xingguan, Liu Xirong, Lu Zhangong, Liu Yifu, Chen Anyu, Li Yuhua, Wang Qidong, Yang Shijie, Yuan Fanglie and Hu Canshi. They congratulated the session on its success.

Attending the meeting on invitation and seated on the rostrum were chairman of the Sixth Zhejiang Provincial CPPCC Committee, Shang Jingcai; its vice chairmen, He Zhibin, Zhou Chunhui, Jiang Cisheng, Qiu Qinghua, Wang Chengxu, Li Chaolong, and Zhao Jingtang; and veteran comrades Wang Jiayang, Cui Jian, Zhang Renzhi, Zhu Zhiguang, Chen Li, Wang Jiwu, and Yang Shilin.

The meeting adopted the political resolution of the First Session of the Seventh Zhejiang Provincial Committee of the Chinese People's Political Consultative Conference; and a report on motions examination by the motions examination committee of the First Session of the Seventh Zhejiang Provincial Committee of the Chinese People's Political Consultative Conference.

Liu Feng delivered a closing speech (full text of the speech to be published separately).

The meeting called on the CPPCC organizations at various levels and their members in the province to further study seriously and understand thoroughly the guidelines of the 14th CPC National Congress, work for economic construction, the central task, and provide allout support and assistance to the work of CPC committees and governments at various levels. It urged the CPPCC organizations at various levels in Zhejiang to work under the leadership of the CPC Central Committee and the Zhejiang provincial CPC committee, adhere to the principle of "long term coexistence and mutual supervision, and treating each other with all sincerity and sharing weal and woe," give full play to the role of democratic parties, non-party patriots, and mass organizations, seriously perform the duty of political consultation and democratic supervision, actively participate in the administration and discussion of state affairs, and offer advice and exert themselves for Zhejiang's economic construction, reform and opening up, spiritual civilization, and democratic legal system. The meeting deemed it necessary to further consolidate and develop the patriotic united front and contribute to the great cause of achieving peaceful reunification of the motherland soon. It called for striving to attain the objectives of Zhejiang Province for the Eighth Five-Year Plan period and for the nineties, and to work hard to achieve greater success in building socialism with Chinese characteristics.

Central-South Region

Guangdong Reports Counternarcotics 'Achievements'

HK2201123193 Guangzhou Guangdong People's Radio Network in Mandarin 1000 GMT 5 Jan 93

[Text] Our province has made marked achievements in promptly and seriously carrying out antinarcotics work. According to a report by a provincial antinarcotics meeting that opened in Guangzhou today, from July 1991 to the present, the whole province has cracked down on 1,452 drug cases, and arrested 2,163 drug traffickers. A great number of drug criminals have been sentenced to imprisonment. The death sentence has been imposed on 51 persons and 53 persons have been executed. In addition, a large quantity of heroin and marijuana has been seized.

Governments at all levels in our province have also attached importance to drug detoxification work. Efforts have been made to establish or expand 27 detoxification centers. Voluntary and compulsory detoxification measures have been combined to save a great number of drug addicts.

Zhao Fulin Attends Guangxi People's Congress

HK2201140193 Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 16 Jan 93

[Excerpts] On the afternoon of 16 January, the first session of the eighth regional people's congress came to a successful close. [Regional party Secretary] Zhao Fulin, Cheng Kejie, Liu Mingzu, Ding Tingmo, Huang Baoyao, Li Jiwu, Wei Jisong, Shi Zhaotang, He Bin, (Du Yinyi), (Zhao Yisheng), and Zhang Dunhao, and (Zhang Mujie), executive chairmen of the session's presidium, were seated at the front of the platform. The session's acting Chairman Huang Baoyao presided over the session. The session participants announced results of the elections held on the morning of 16 January for secretary general and members of the eighth regional people's congress and for regional deputies to the Eighth National People's Congress [NPC]. The election results for the chairmen, vice chairmen, and members of the five special committees of the regional people's congress were approved by deputies through show of hands at this morning's session. Eighty-nine comrades including Zhao Fulin were elected deputies to the NPC. [passage omitted]

Liu Minzu, chairman of the eighth regional people's congress, delivered a closing speech. [passage omitted]

Leading comrades attending the 16 January session were Chen Huiguang, Jin Baosheng, Huang Jia, Wei Zhangping, Zhao Mingjian, Tian Ming, Qiu Wenyi, Li Zhenqian, Lin Chaoqun, Peng Guikang, Wen Guoqing, Li Enchao, Yuan Zhengzhong, (Ma Qingsheng), (Yang Xitang), (Wang Zhuguang), (Sai Yuanzhong), Wang Rongzhen, Chen Ren, Long Chuan, Lei Yu, (Liang Chengye), Huang Yuyang, (Li Meisheng), (Zhang

Guangbi), (Liu Rongtian), Qiu Donglin, and (Huang Renwen). (Lei Peishu), former member of the Central Advisory Commission, also attended the session.

Henan Secretary, Governor Speak on Rural Market

HK2201144593 Zhengzhou Henan People's Radio Network in Mandarin 2300 GMT 14 Jan 93

[Excerpts] A four-day provincial rural work conference ended in Nanyang on 13 January. Provincial party Secretary Li Changchun and Ma Zhongchen, provincial party deputy secretary and acting governor, both delivered important speeches on further deepening the rural reform and speeding up the transition of the rural economy to a market economy.

On deepening rural reform, Li Changchun stressed the need to bolster work in four areas:

- It is necessary to fully unify the understanding on the agricultural situation in our province and correctly grasp the cycle related to reform and development.
- 2. It is necessary to strengthen further the understanding on the basic position of agriculture. At all times and under all circumstances, efforts should be made to avoid the tendency to belittle the basic position of agriculture. Agriculture, rural work, and peasants-related issues should always be treated as an important agenda.
- 3. It is necessary to continue to emancipate the mind, change concepts, and deal correctly with crucial issues related to rural reform and development in order to open up a path of reviving the rural economy. At present, the rural economy in our province has begun to enter a new phase of development. In line with this new situation, it is imperative to handle correctly five relationships: Promote a well-coordinated relationship between increased grain production and agricultural readjustment. Take the path of fine quality, high yield, high efficiency. Correctly handle the relationship between agricultural development and industrial development. In line with the policy of boosting industry on the basis of agricultural growth, realistically consider the development of township and town enterprises as a strategic measure in the rejuvenation of the rural economy. Correctly handle the relationship between development of production, tapping of markets, and invigoration of circulation by taking a firm grasp on efforts to tap markets as the key to the development of commodity economy. Correctly handle the relationship between the development of the rural economy and the development of small towns and villages by speeding up the building of small towns and villages as a way to spur the growth of rural commodity economy. Correctly handle the relationship between economic development and reform and opening up by taking the path of promoting development with reform and opening up.
- 4. In line with the requirements of socialist market economy, it is necessary to improve and strengthen the

party's leadership over agriculture and rural work. Change the concepts and methods related to leadership according to the demands of socialist market economy. Strengthen the building of grass-roots organizations with the party branch committees at the core, give full play to the role of party branch committees as fortresses and the role of party members as pioneering models. Vigorously promote the work style of investigation and study, and endeavor to upgrade leadership and decisionmaking standards under the new situation.

Provincial party Secretary Li Changchun stressed: In deepening rural reform, it is necessary to continue to focus on the development of the rural socialized service system as the breakthrough point in order to resolve realistically the convergence between rural family operations and the big socialized market. [passage omitted]

In his speech, Ma Zhongchen spoke emphatically on the six crucial links which should be seized in order to do a good job in promoting socialist market economy in the countryside:

- Reform the system of marketing and purchasing of agricultural products and steer the products further toward the market.
- Further invigorate circulation and speed up cultivation of a rural market system.
- 3. Step up the building of a socialized service system.
- Further readjust the industrial structure based on market supply and demand, and comprehensively develop the rural economy.
- Fully respect the decisionmaking rights of peasants regarding production and operation matters and realistically safeguard their interests. Mobilize and protect their initiative to the maximum.
- Earnestly transform government functions in order to promote the establishment and growth of a new socialist market economic system in the countryside. [passage omitted]

During the conference, Li Changchun and Ma Zhongchen also held a seminar with persons in charge of various cities and prefectures to discuss plans on the rejuvenation of agriculture. All delegates to the meeting also deliberated on the decision by the provincial party committee and provincial government on realistically reducing the burdens of peasants, plans for the building of villages of modest comfort in Henan, and plans for the development of fine quality, high yield, high efficiency agriculture in Henan.

Planning Chairman on Hunan's Economy in 1990's

HK2201123293 Changsha Hunan People's Radio Network in Mandarin 2300 GMT 14 Jan 93

[Text] In his report to the first session of the eighth provincial people's congress, (Wang Xianyi), chairman of the provincial planning committee, said: In line with the spirit of the 14th CPC National Congress and with the new situation of reform and opening up, it is necessary to make appropriate changes in the province's original 10-Year Program and Eighth Five-Year Plan. (Wang Xianyi) said: The goal for the province's aggregate economic volume is to adjust the annual increase rate of the GNP for the 1990's from the originally planned 6 percent to 10 percent or above, and to quadruple the GNP by 1997 ahead of time. By 2000, the per-capita GNP will be 5,800 yuan. As for the direction of the adjustment of the industrial structure, it must gradually develop according to the (?industrial) [words indistinct] order of 3, 2, 1. By 2000, we demand that the sales incomes and the profit and tax rate of independent accounting industrial enterprises increase from 12 percent in 1990 to 20 percent. As for foreign trade, [we demand) total imports and exports increase from \$940 million in 1990 to \$6 billion in 2000, with an annual increase of 20 percent. Education will be developed ahead of other areas. In 2000, [we will] introduce nineyear compulsory education in 95 percent of populated areas. The total social investment in fixed assets in this decade will be adjusted from 17 million yuan to 26 million yuan. In line with the demand that by 2000, the living standards and the quality of life reach a comparatively comfortable level, urban residents' per-capita living expenditure income will reach 2,800 yuan and peasants' per-capita net income will reach 1,500 yuan.

Southwest Region

Guizhou People's Congress Session Ends

HK2201140093 Guiyang Guizhou People's Radio Network in Mandarin 2306 GMT 16 Jan 93

[Excerpts] The first session of the eighth provincial people's congress successfully ended in Guiyang on the afternoon of 16 January 1993 after fulfilling various items on the agenda. The session was guided by the 14th CPC National Congress, and its participants conscientiously listened to, examined and discussed work reports submitted by the provincial government, the seventh provincial people's congress standing committee, the provincial higher people's court, and the provincial people's procuratorate. New leading members were elected for the eighth provincial people's congress standing committee, provincial government, provincial higher people's court, and provincial people's procuratorate.

Our province's new people's deputies to the Eighth National People's Congress were also elected. Resolutions of the relevant reports were adopted. The main tasks for the work of the whole province in the future were also set. [passage omitted]

The session called on state organs at all levels and people of various nationalities throughout the province to continue to study, propagate, and implement the spirit of the 14th CPC National Congress, unify their thinking on the spirit, unswervingly stick to the theories on building socialism with Chinese characteristics, firmly uphold the party basic line, continue to carry forward the spirit of the Long March, conscientiously implement the resolutions of the session, and fulfill various tasks set by the session. They must attach importance to unity, seek truth from facts, promote reform, and advance courageously to struggle hard for overfulfilling the task of redoubling our province's economy ahead of time, and strive for a new and greater victory in reform, opening up and modernizations.

The closing session was presided over by Liu Zhengwei, chairman of the provincial people's congress standing committee. Liu Yulin, Wang Anze, Liang Wanggui, Wang Yaolun, (Chen Yuanwu), Lu Wenbin, (Li Yanshan), and Ouyang Ziyuan, vice chairmen of the provincial people's congress standing committee; and standing committee Secretary General (Wang Mingpu) were present at the closing session, seated on the front row of the rostrum.

Provincial party, government and military leaders Wang Chaowen, Su Gang, Long Zhiyi, Chen Shineng, Liang Mingde, Wang Siqi, Liu Hanzhen, Zhang Shukui, Yuan Ronggui, Hu Kehui, Zhu Qi, and others attended the closing session, and were seated on the rostrum. [passage omitted]

Comrade Liu Zhengwei made an important concluding speech.

[Begin Liu Zhengwei recording] The session is guided by Comrade Deng Xiaoping's theories on building socialism with Chinese characteristics. It upholds the party basic line, and conscientiously implements the spirit of the 14th CPC National Congress, and the eighth enlarged plenary session of the eighth provincial CPC committee. Under the leadership of the Guizhou provincial CPC committee and the presidium of the session, we fully carry forward democracy [words indistinct], and smoothly fulfill various items on the agenda. This session is a session of democracy and unity. It is a session which carries forward our cause, and forges ahead into the future. It is a session of reform and courageous advance. I hope that participants will bring the spirit of the session to their own units and places, organize and guide the broad masses of people to earnestly implement various resolutions of the session, fulfill various tasks set by the session, and struggle hard to win a new and greater victory in overfulfilling the task of redoubling our province's economy ahead of schedule, and promoting reform, opening up, and modernization. I hereby

announce the successful closing of the first session of the Eighth Guizhou Provincial People's Congress. [end recording]

State Councillor on Sichuan's Scientific Status

HK2501101093 Chengdu Sichuan People's Radio Network in Mandarin 2300 GMT 20 Jan 93

[Text] After listening to the work report given by Yuan Jingkui, chairman of the Sichuan Provincial Science and Technology Commission, a few days ago, Song Jian, state councillor and minister of the State Science and Technology Commission said: Sichuan's work on scientific and technological development over the past few years has been very active and aggressive, and it has had many good ideas. The province's 1993 work arrangements for scientific and technological development conform to the spirit of the 14th CPC National Congress and to what is in the minds of the scientific and technological circles.

On the morning of 13 January, Yuan Jingkui, chairman of the Sichuan Provincial Science and Technology Commission, gave a report to Minister Song Jian at the State Science and Technology Commission about the basic situation of the province's 1992 work on scientific and technological development, the province's preliminary arrangements for 1993 work for scientific and technological development, and so forth.

After listening to Yuan Jingkui's report, minister Song Jian gave an important speech. He said: Sichuan's scientific and technological work in these past few years has been very active and aggressive. Sichuan has also had great many ideas and has dared to guide trends in the province's work. The 50-point proposal for scientific and technological development which the province has formulated has substantial content and is an effective policy. I believe that by properly putting into practice this document, it will produce a greater promoting role in Sichuan. Song Jian said: The development of peoplerun scientific and technological undertakings is very good, and it is necessary to bring up leaders for peoplerun scientific and technological undertakings. It is necessary to invigorate the social environment and give further freedom to scientific and technological organizations and personnel. It is also very important to develop scientific and technological industries that are linked with major academies and institutes. Regarding the question of readjustment of the scientific and technological structure, the recent document on the readjustment of the technological structure is a good one.

Finally, Song Jian said: For Sichuan to upgrade its 1993 work on scientific and technological development, it shoulders an arduous and glorious task. Using this opportunity, I would like to send Spring Festival greetings to Sichuan's scientific and technological circles and wish themselves new progress in its 1993 work.

Sichnan Party Chief Stresses Role of Agriculture

HK2301031493 Chengdu Sichuan People's Radio Network in Mandarin 2300 GMT 15 Jan 93

[Text] Yesterday [15 January], Provincial Party Secretary Yang Rudai went to the provincial working conference on designated aid-recipient counties where he visited the third and fourth batches of liaison group leaders attending the meeting.

In his speech, provincial party Secretary Yang Rudai said: Under the new situation, work concerning designated aid-recipient counties should be carried on, guided by the provincial party committee's stated three major tasks of aiding the grass roots, changing work styles, and training cadres. It is necessary to highlight the guiding ideology of economic construction as central task, intensify studies, and publicize as well as implement the spirit of the 14th party congress.

He said: Sichuan is a major agricultural province boasting an agricultural population of 90 million. Once the foundation in agriculture is stabilized, other undertakings will also become easier. He also asked all cadres assigned to the liaison groups of the designated aid-recipient counties to insist on going down into the grass roots to carry out investigations and studies, be concerned and protect the interests of peasants, adopt realistic steps to mobilize their initiatives, and help them to engage in diversified operations, vigorously promote secondary and tertiary industries, develop township and town enterprises on the basis of stable grains production in order to accelerate the pace of rural economic development in the province.

Tibet Court President Gives Report to Congress OW2501104193 Lhasa Tibet Television Network in Mandarin 1200 GMT 8 Jan 93

[From the "Tibet News" program]

[Text] In his work report to the first session of the sixth autonomous regional people's congress on 8 January, Zi Cheng, president of the regional higher people's court, said: In the past five years, 14 units in the region were commended as advanced collectives in the national and regional judicial systems, and 300 personnel were awarded for their contributions. According to incomplete statistics, among judicial cadres and policemen, 450 have turned down 58,000 yuan and a large amount of goods like cigarettes and liquor in bribes.

Zi Cheng summed up the work of the regional people's courts in his report. He said: Since the first session of the fifth autonomous regional people's congress in 1988, the region's people's courts at various levels have adhered to the policy of grasping two links at the same time in fighting all kinds of crime in accordance with the law. They have maintained stability in our region, strengthened the trials of economic cases, mediated economic disputes in a timely manner, and ensured and contributed to the region's economic development. Using the

court as the battleground, they vigorously take part in the drive to improve social order through comprehensive means. They have unceasingly strengthened the building of the court system, centering on raising law enforcement and management standards. They have thus played an important role in maintaining the region's stability and accelerating its economic development. In the past five years, they handled a total of 56 administrative cases of the first instance, thereby effectively protecting the legal rights and interests of citizens and organizations, and supporting and supervising administrative organizations in conducting their work according to the law.

Speaking of future work, he said: The region's people's courts at different levels will always adhere to the basic line of one central task and two basic points, further strengthen the building of the judicial contingent, try cases according to the law, earnestly carry out measures to comprehensively improve social order, strictly enforce the law, make an effort to raise law enforcement standards, and give full play to the role of the court as a lever in regulating the economy to contribute to the region's economic construction and reform and opening up.

North Region

Chen Xitong Addresses Beijing Party Committee SK2401082393 Beijing BEIJING RIBAO in Chinese 11 Jan 93 pp 1, 3

[By Reporter Sun Yushan (1327 3768 1472): "Chen Xitong Hears Reports of Various Departments at the Meeting of the Standing Committee of the Beijing Municipal CPC Committee"]

[Text] On 8-9 January, the Standing Committee of the municipal party committee held a meeting to hear the reports of various departments under the municipal party committee on the summary of the 1992 work and the 1993 work arrangements. Chen Xitong, secretary of the municipal party committee, chaired and addressed the meeting. He stressed that there are no limits for emancipating the mind and that only when we emancipate the mind will we be able to pioneer a new situation.

Chen Xitong made a speech at the conclusion of the meeting. He pointed out: The year 1992 was one when all party members of the municipality deeply studied the theory of socialism with Chinese characteristics and further emancipated the mind; when we made the best achievements in making the party work and the ideological and political work suit the new situation, closely coordinate with the economic work, and serve the economic construction; and when the party strengthened the leadership over the economic construction.

Chen Xitong said: The 14th Party Congress and the seventh municipal party congress were held. Major policies, tasks, and targets have been defined. The major tasks ahead of the party organizations at various levels across the municipality at present and in the foreseeable future are to do solid work and to implement the tasks as set forth at the 14th Party Congress and the seventh municipal party congress.

Chen Xitong stressed: First of all, we should engage in study. We must strengthen theoretical study and arm the cadres at various levels and all party members with the theory of socialism with Chinese characteristics. At present, we should continue to conscientiously study Comrade Xiaoping's important talks in his tour of south China and Comrade Jiang Zemin's report at the 14th Party Congress. Through study, we should upgrade our understanding; really understand the spiritual essence; eliminate our confused ideas; and unify the thinking of party members and cadres with the socialism with Chinese characteristics, the thinking that the basic line of the party must not be shaken for 100 years, the thinking of taking the economic construction as the key link, and the thinking of setting up the socialist market economic system. We should organize, in a well-planned manner, party members, particularly leading cadres, to conscientiously study the basic principles relating to Marxism-Leninism-Mao Zedong Thought, to grasp the Marxist world outlook and methodology, and to upgrade the awareness of taking the socialist road and persisting in the basic line of the party. In studying the theories, we should have a definite object in view, study for the purpose of application, upgrade our understanding closely in line with the ideological and work reality, find out where we lag behind, and set forth measures for solving problems.

Chen Xitong said: To ensure the implementation of various tasks, we should further emancipate the mind. Emancipating the mind is a task that goes ahead of the rest. Only when we change our ideas will we be able to pioneer a new situation. The objective world continues to develop and change. There must be no limits for the emancipation of the mind since it is regarded as a process through which the people ceaselessly deepen our understanding about the objective world. Particularly under the new situation of setting up the socialist market economic system, we must further emancipate the mind and change the ideas so as to accurately understand the new situation and solve new problems. Emancipating the mind is by no means a general demand or an empty slogan. We must specifically emancipate the mind. To further emancipate the mind, we should eliminate all obstacles for comprehensively implementing the basic line of the party. We should emancipate the mind in setting up the socialist market economic system, preventing and overcoming arrogance and self-satisfaction, and eliminating the difficulties in doing our work. Departments should work closely in line with their work reality, have a definite object in view to break the trammels of the outdated ideas, set forth targets for emancipating the mind, upgrade the thinking, and promote the implementation of reform, open up, and various work tasks.

Chen Xitong said: To ensure the implementation of various tasks, we should strengthen party building, improve the leadership of the party, and grasp the implementation of the party work. Under the new historical period, great changes have taken place in the environment that the party is in and the tasks that the party undertakes. The more we conduct reform and open to the outside world, the more we should strengthen party building. Strengthening the construction of the leading bodies at various levels is the key to strengthening party building and improving the leadership of the party. According to the principle of ensuring that the ranks of cadres should become more revolutionary, younger in their average age, better educated, and more professionally competent and in line with the principle that cadres should have both ability and political integrity, we should realistically strengthen the construction of leading bodies at various levels and build the leading bodies at various levels into a strong leading collective that is faithful to Marxism and persistently takes the path of socialism with Chinese characteristics. Particularly in line with the basic line of the party and the setup of the socialist market economic system, we should upgrade the quality of the ranks of cadres and the overall quality of the leading bodies at various levels and make the leading bodies at various levels attain the Marxist levels that are worthy of their duty, have a strong sense of reform and open up, have the spirit of doing pioneering work and blazing new trails, and have the knowledge and ability in setting up the socialist market economic system. We should boldly select and promote young cadres, speed up the installation of the ladder-shaped leading bodies at various levels, and train and cultivate. in the course of practice, successors spanning this century and the next. Chen Xitong said: To ensure the implementation of various tasks, we should go deep to the reality and vigorously strengthen investigations and study. Under the new situation of conducting reform, opening to the outside world, and setting up the socialist market economic system, we should coordinate the principles and policies of the central authorities with the reality of the departments, explore specific ways for solving problems, creatively do our work, and especially go deep to the grass roots to conduct investigations and study. Historical experiences proved that whenever we paid attention to investigations and study and ensured that the subjective points of view conformed to the objective points of view, we would successfully promote our undertakings; and that whenever we neglected investigations and study, we would suffer setbacks in our undertakings. That is because great determination is helpless when we do not clearly understand the situation. Therefore, the departments under the municipal party committee should strengthen investigations and study. deeply study the general situation, carefully study the minor aspects of the situation, and be sure to have the f whole situation in mind and to grasp the typical cases in hand. Departments should classify the major problems that must be solved into different categories. grasp several major problems that are related to the overall

situation, organize forces to deeply conduct investigations and study, realistically sum up some typical experiences, and promote the implementation of various tasks.

Chen Xitong said: To ensure the implementation of the tasks, we must set up a strict examination and assessment system. All departments and units should set up and persist in the system to examine, in the middle of the year, the implementation of the plans as worked out at the beginning of the year and to make year-end assessments in an effort to do solid work and implement the work to the letter.

Attends Nonparty Forum

SK2501073893 Beijing BEIJING RIBAO in Chinese 14 Jan 93 p 1

[By reporter Sun Yushan (1327 3768 1472): The Municipal Party Committee Holds a Forum of Nonparty Personages"]

[Text] Yesterday afternoon, the Beijing Municipal CPC Committee invited responsible persons of democratic parties and relevant mass organizations, nonparty personages, and persons from the nationalities and religious circles in Beijing to a forum to hear their opinions on Comrade Chen Xitong's report prepared for the first session of the 10th municipal people's congress. Chen Xitong, secretary of the municipal party committee and municipal mayor, presided over the forum.

Wang Jialiu, deputy secretary of the municipal party committee; and Wang Baosen and Duan Bingren, members of the Standing Committee of the municipal party committee, listened to opinions. Ma Yaoji, Xing Jun, Pu Jiexiu and Chen Mingshao, vice chairmen of the municipal People's Congress Standing Committee; Feng Mingwei, Zhang Mingyi, Li Bokang, Xu Jialu, Kan Guanqing, and Gan Ying, vice chairmen of the municipal committee of the Chinese People's Political Consultative Conference [CPPCC], also attended the forum.

Also attending the forum were responsible comrades of various democratic parties and relevant mass organizations in the municipality, nonparty personages, and persons from the nationalities and religious circles, including Zhang Lianyun, Wang Xijue, Tao Dayong, Wang Zhitai, Mei Xiangming, Jin Tiekuan, Zhu Chenyu, Jin Pu, Hao Yichun, Chen Zhongyi, Wen Zhe, Sun Fuling, Fu Jiantang, Li He min, An Shiwei, Fu Tieshan, and Yin Jizeng.

The forum proceeded in an enthusiastic atmosphere. The participants gave speeches one after another, fully affirmed the "draft form of the government work report for soliciting opinions," and offered many constructive opinions and suggestions.

After listening to opinions, Chen Xitong said: All of you have conscientiously and responsibly offered opinions and suggestions for revising the report. Let me extend

heartfelt thank to you on behalf of the municipal party committee and the municipal government. We will conscientiously take your opinions and revise the report to make it still better.

Chen Xitong said: The forthcoming first session of the 10th municipal people's congress and the first session of the eighth municipal CPPCC Committee will be of great significance in implementing the spirit of the 14th CPC congress throughout the municipality and in following the path of building socialism with Chinese characteristics. We will surely make these two sessions a success. Chen Xitong also briefed the participants on the municipal work of last year.

Northeast Region

Heilongjiang Financial Work Conference Ends

SK1901080593 Harbin Heilongjiang People's Radio Network in Mandarin 2200 GMT 18 Jan 93

[Text] At the provincial financial work conference that ended on 18 January, Chen Yunlin, vice governor of the provincial government, pointed out: We should attend to the financial work under the socialist market economic conditions and make new contributions to elevating the economy to a new high.

With many factors for reducing revenues and increasing expenditures, the province increased its revenues and expenditures in 1992. The growth rate was higher than the increase in production. Simultaneously, the province is expected to balance its revenues and expenditures.

Vice Governor Chen Yunlin said: In line with the major orientation for elevating the economy to a new high as set forth by the provincial party committee, this year, the provincial financial and tax departments should attend to the work in the following spheres.

First, we should vigorously promote the development of the county-level economy. We should not only increase, in a sustained manner, the input to agriculture but also ensure that the increase should slightly be higher than the increase in expenditures. We should optimize the investment structure and give priority to the popularization of scientific and technological findings and the application of new high-tech. We should vigorously support the development of poverty-stricken, wealthy, and border counties as well as the development of town and township enterprises.

Second, we should vigorously promote the change of enterprise managerial mechanism and realize the target of reducing deficits and increasing profits. All localities should delegate, as soon as possible, the right to management of financial affairs to lower levels; speed up the reform of the subsidy and refund methods; and readjust and change the functions for management of financial affairs.

Third, we should vigorously promote the escalation of the strategy of opening to the outside world, use the favorable opportunity of opening border areas to the outside world to speed up the development of the export-oriented economy, support enterprises to go out of the province to make investments and develop transnational cooperation, and support the development of multilateral trade and multilateral cooperation.

Fourth, we should vigorously promote the reliance on science and technology to rejuvenate the economy. The financial departments at various levels should further increase the input to science and technology and increase the proportion of the input to science and technology in the expenditures.

Fifth, we should vigorously enliven the operation and management of state-owned assets.

Sixth, we should vigorously increase revenues and reduce expenditures to balance the budget.

Liaoning's Quan Shuren Sponsors Journalist Forum

SK2001050393 Shenyang Liaoning People's Radio Network in Mandarin 2300 GMT 19 Jan 93

[Text] On the afternoon of 19 January, provincial leading comrades, including Quan Shuren, sponsored a forum with the central reporters stationed in the province and the responsible persons and reporters of the provincial level journalist units.

During the forum, the participants reviewed the achievements scored in the journalist propaganda work over the past year; summarized the experience gained in the work; and put forward opinions and suggestions for making success of this work.

During the forum, Quan Shuren delivered a speech in which he put forward the following six demands: 1) We must persistently uphold Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics in conducting journalist propaganda work, regard the theory as a guidance and provide spiritual motivational force, intelligence support, and ideological guarantee through timely reports, for the programs of reform, opening up, and economic construction. We also must create the good environment of social opinions for the programs. 2) In conducting journalist propaganda work, we must persistently regard economic construction as a center; broaden the strength of publicizing the achievements scored in reform and opening up; strengthen studies in economic styles, policies, and life; and have a strong sense of having the work focused on certain problems and play a guiding role. 3) We should increase volume of journalist information and upgrade the quality and efficiency of journalist propaganda work. 4) Efforts should be made to strengthen the overseas propaganda work to broaden Liaoning's influence over both domestic and foreign localities. 5) It is hoped that the broad masses of journalists should go deep into practice,

economic construction, and social life, to have a breath of fresh air, to collect valuable news, and to report the masses' opinions and demands. 6) Party committees and governments at all levels as well as relevant departments and grass-roots level units should attach great importance and give enthusiastic support to the work done by the journalist units. They should create a fine working environment for these units and do practical deeds for journalist workers in livelihood so as to enable them to more vigorously do a good job in the journalist propaganda work.

Northwest Region

Qinghai Governor Addresses Government Meeting HK2201122693 Xining Qinghai People's Radio Network in Mandarin 2300 GMT 15 Jan 93

[Text] Governor Tian Chengping convened the first meeting of the standing committee of the provincial government on the morning of 14 January. Vice Governors Wang Hanmin, Ma Yuanbiao, La Bingli, (Bai Ma), and (Liu Guanghe) were present. Also attending the meeting were the deputy secretary general of the provincial government, as well as persons in charge of the provincial financial and economic commission and the provincial finance department.

Governor Tian Chengping made an important speech on carrying out government work satisfactorily. He said: The five-year tenure of this government also coincides with the five years which are crucial to the economic development and social progress in our province. In the next five years, we have to comprehensively carry out the various tasks mapped out in the Eighth Five-Year Plan, draft and implement the Ninth Five-Year Plan, and advance toward the lofty goal of quadrupling the province's gross national product and achieving a life of moderate comfort for the people ahead of schedule. We are convinced that with the full implementation of the spirit of the 14th Party Congress, the people of all nationalities in the entire province will exhibit greater enthusiasm for construction. The national economy as well as various other social endeavors in our province will also enter a new period of accelerated development rapidly. We are faced with many favorable conditions and opportunities:

- 1. Under the correct leadership of successive terms of provincial party committees and provincial governments and following the concerted efforts of people of all nationalities, the face of Qinghai has undergone great transformation. A definite economic foundation has been established, while all kinds of social endeavors are flourishing, laying down an excellent foundation for the acceleration of growth in the future.
- 2. After the dissemination of Comrade Xiaoping's talks during his southern tour early last year and particularly after the 14th Party Congress, the strong momentum for

economic growth around the country has created excellent external conditions for us and brought us extremely good development opportunities.

3. Inspired by the spirit of the 14th Party Congress and the spirit of the 11th Plenary Session of the Seventh Provincial Party Committee, all prefectures, autonomous prefectures, cities, and counties around the province as well as all departments and all enterprises are united as one in concentrating their efforts in reform and opening up and economic construction. Enthusiasm in all areas is unprecedented. The industrious and frugal 4.6 million people of all nationalities have displayed tremendous enthusiasm to build Qinghai. A concerted effort to rejuvenate Qinghai has become the strong aspiration and common desire of the people of all nationalities of the province. Hence, the leading body of this new government should take advantage of the favorable opportunities in the next five years and strive for accomplishments in order to obtain greater results in all kinds of endeavors in Qinghai. The most important thing is to focus on economic construction as the central task and carry out economic development more effectively and more rapidly. Other endeavors should also be advanced continuously in order to achieve unity, stability, and prosperity in the province.

Governor Tian Chengping said: Even though we are fully convinced that the national economy and various social endeavors in Qinghai in the nineties will grow ever more rapidly, truthfully speaking, looking at the broad prospects of Qinghai's development, all that we are doing today is designed mainly to lay down the foundation for Qinghai's future development. Hence, we should never engage in any undertakings which are a mere show or a disguise and which are detrimental to long-term development. We can see clearly that the road ahead is littered with many obstacles and problems. Our attitude is: Look at the problems squarely and do not be afraid of them. Acknowledge the problems and do not shy away from them. In the course of study and practice, search for scientific ways to resolve and overcome problems, and hone our determination and sharpen our skills in the process. We should use the accomplishments achieved by previous governments as the new starting point for continuing advances, roll up our sleeves to engage in hard work, refrain from seeking fame and wealth, strive for real results, and engage in more practical work in a down-to-earth manner in order to rejuvenate the province and enrich the people.

Governor Tian Chengping went on: In the leading body of this new government, most of the members are newly elected members who have less work experience. We should sincerely accept the supervision by the provincial people's congress and the provincial party committee, humbly listen to the views and suggestions from people's deputies, members of the Chinese People's Political Consultative Conference, and people from all sectors and trades, strengthen contacts with the people, change work styles, act according to the laws, and work industriously. Under the leadership of the provincial party

committee, we should strive to perform the government functions satisfactorily so that we can be worthy of the times and of our mission and so we do not fail the sincere hopes of the people of all nationalities.

Xinjiang Leaders Discuss Cashing IOU's

OW2401125093 Urumqi Xinjiang Television Network in Mandarin 1655 GMT 13 Jan 93

[From the "Xinjiang News" program]

[Text] Song Hanliang, secretary of the autonomous regional party committee; and Tomur Dawamat, chairman of the autonomous regional people's government, yesterday evening [12 January] specifically informed peasants and herdsmen of various nationalities: On or before 15 January, peasants and herdsmen of various nationalities should cash their IOU's at relevant farms, cooperatives, and centers. If they cannot cash them after the deadline, the autonomous regional party committee and people's government are determined to thoroughly and strictly investigate their cases and punish those responsible without leniency. [video opens with long shots of a packed conference hall, then cuts to show medium shots of several leaders seated opposite some 50-odd attendees]

Comrades Song Hanliang and Tomur Dawamat made the above remarks at an autonomous regional agricultural work meeting yesterday evening. [video shows rows of participants as they scan sheets of paper and take notes]

After exploring every possible way, the autonomous regional party committee and people's government have allocated 540 million yuan of funds to settle the IOU issue. They have also specified that all debts incurred for procuring agricultural and sideline products must be settled on or before 15 January.

The autonomous region urged all prefectures, autonomous prefectures, counties, and cities to strictly implement, promptly inspect, understand, and supervise the work of settling IOU's. They should promptly resolve problems once they are discovered.

Song Hanliang on Xinjiang Government Work Report

OW2401123093 Urumqi Xinjiang Television Network in Mandarin 1655 GMT 13 Jan 93

[From the "Xinjiang News" program]

[Text] At a group discussion of the Karamay delegation yesterday morning, Song Hanliang, secretary of the autonomous regional party committee and a people's congress delegate, extensively exchanged views with delegates from various circles on the autonomous region's government work report. [video opens with long shots of a conference hall with some 30-odd attendees, then cuts

to show medium shots of Song Hanliang speaking and gesticulating with his hands to stress certain points]

Song Hanliang said: When facing the great opportunities of opening up of border regions and oil development, we no longer have the time to wait, think, and slowly change concepts. Those unwilling to change concepts must definitely change their posts. [video shows participants listening, scanning sheets of paper and taking notes]

Song Hanliang said: At present, many of our departments are extremely unsuited to the new circumstances for accelerating reform and opening up. The reason why some administrative departments are unwilling to delegate powers is, in the final analysis, that the minds [words indistinct] have not been emancipated. Many good opportunities have thus successively been missed. To realize economic progress at a higher than normal rate, we should take a leap in our concepts first. We cannot remain unchanged when the external environment has changed 10,000 times. The process of changing concepts is not infinite. Those who truly refuse to change their concepts must definitely change their posts. We can no longer miss the opportunities that would be difficult to encounter in 1,000 years.

Tomur Dawamat on Xinjiang's Tertiary Industry OW2401092893 Urumqi XINJIANG RIBAO in Chinese 12 Jan 93 p 2

[Unattributed article: "Accelerate the Development of the Tertiary Industry and Let Investors Enjoy the Benefits"]

[Text] We she id accelerate the development of the tertiary industry and let investors enjoy the benefits. Tomur Dawamat, chairman of the Xinjiang Autonomous Region, emphasized this point in his government work report to the First Session of the Eighth Xinjiang Autonomous Regional People's Congress.

He said: We should consolidate and improve our traditional trades and professions, with emphasis on commerce, the catering trade, transport, and services. We should readjust the structure and geographic distribution, improve various networks and systems, and improve the overall quality, including the quality of services. We should cultivate and develop new trades and industries which are closely related to the market system, including banking, information, and consultancy, with higher priority given to banking. The departments which provide logistic support to government offices and institutions should be transformed into independent economic entities step by step, and they should be community-oriented and run as enterprises. Government organs and institutions which have the necessary conditions should open their service facilities and means of transportation to the public for paid service. Social service organizations are encouraged to contract to provide logistic services to government organs and institutions. We should relax our policies and persistently let whoever makes investments enjoy the benefits. We should encourage efforts made simultaneously by the state, collectives, individuals, private enterprises, and foreign-funded enterprises to develop the trades and professions which directly serve production and the people's daily life. We should gradually establish and improve the comprehensive, socialized service system in both urban and rural areas.

Discusses Agriculture

OW2401135493 Urumqi Xinjiang Television Network in Mandarin 1655 GMT 13 Jan 93

[From the "Xinjiang News" program]

[Text] The Xinjiang Uygur Autonomous Region held a discussion meeting on agricultural work last evening. It urged localities and relevant departments to enhance their understanding and exercise effective leadership to strive for a good harvest in agriculture and animal husbandry for the 16th year running.

Present at the discussion were party and government leaders of the autonomous region: Song Hanliang, Tomur Dawamat, Wang Lequan, Yusufu Muhanmode, and Abulaidi Amudurexiti. Also attending the discussion were secretaries, heads, and commissioners of the various prefectures, and leading comrades of the relevant departments.

Chairman Tomur Dawamat of the autonomous region presided over the discussion. Leading comrades from Kashi, Tacheng, Ili, Hotan Prefecture, and Urumqi City reported on agriculture and rural work in their respective localities.

In his speech, Tomur Dawamat pointed out: All in all, the current rural situation in Xinjiang is satisfactory. We have had good harvests for 15 years running, and the income of farmers and herdsmen has increased. Our understanding and concepts have undergone new changes; agricultural and pastoral areas have opened to the outside world and are developing in an all-around manner; a new situation has emerged in the development of a rural market structure; and new progress has been made in developing rural culture and ideology.

However, many problems existing in our agricultural and rural work merit close attention: Agriculture—the foundation of the economy—has not been given the attention it deserves; there has been insufficient input into agriculture; the farmers' income has not increased in spite of increased output; there has been unrestrained issuance of IOUs; onerous fees and charges have been imposed on farmers and herdsmen; and so forth.

Tomur Dawamat urged party and government leaders at all levels to keep a clear head over agriculture and the rural situation; pay close attention to the existing problems; deal properly with problems regarding agriculture, rural areas, farmers, and herdsmen under the setting of a market economy; and truly protect and fully mobilize

the initiative of farmers and herdsmen to bring about the greater development of agriculture and the rural economy in our region.

He urged that parties and governments at all levels give topmost priority to agriculture and rural work on their agenda; exercise effective leadership; strengthen their micro-control capacity; persisten'ly follow the lead of the market; fully utilize the tremendous power of science and technology; follow the road of developing farming, forestry, animal husbandry, sideline production, and fisheries in an all-around way; develop an agriculture that produces high yields and high-quality products with high economic efficiency; and bring about the all-around development of primary, secondary, and tertiary industries. We should truly protect the interests of farmers and herdsmen, and mobilize their enthusiasm for production.

Prefectures and relevant departments must, first of all, solve the problem of IOUs by paying off all IOUs issued in lieu of payment for farm and by-product procurement by 15 January. Second, they must resolutely put an end to illegal collection of fees and charges to alleviate the burdens on farmers and herdsmen.

Third, they must speed up procurement of farm and sideline products as well as their distribution and transportation, and fulfill as scheduled the state-set 1992 farm and sideline products procurement quotas.

Fourth, they must implement in real earnest the preferential policies for supporting the production of grain, cotton, and livestock, and see to it that farmers benefit from the preferential treatment that is due to them.

Fifth, they must protect arable land, grasslands, and forest resources in accordance with law.

Tomur Dawamat urged localities to lose no time in studying and coming up with implementation measures. At the same time, localities and relevant departments must step up preparations for spring farming, for livestock to live through winter and spring, and for the delivery and raising of young livestock. They must earnestly carry out their work and contribute to the reaping of a good harvest in crops and livestock.

Comrades Song Hanliang and Wang Lequan also made important speeches at the discussion. They elaborated particularly on settling of the IOUs problem, reducing the burdens on farmers and herdsmen, and the way forward in developing agriculture.

U.S. Senator Arrives in Taipei for 3-Day Visit OW1401085293 Taipei CNA in English 0827 GMT 14 Jan 93

[Text] Taipei, Jan. 14 (CNA)—U.S. Senator J. Bennett Johnston is arriving Thursday for a three-day visit.

During the visit, Senator Johnston and his party will call on Economics Minister Hsiao Wan-chang, Vice Foreign Minister Chen Chien-jen and Chairman of the Taiwan Power Company Chang Chung-chien.

They will also visit cultural and economic establishments before their departure on Saturday.

Taipei Publishes Diplomatic Report

OW2101115793 Taipei CNA in English 0744 GMT 21 Jan 93

[Text] Taipei, Jan. 21 (CNA)—A diplomatic report, the first in the history of the Republic of China [ROC], is to be released to the public Thursday [21 January], an official of the Ministry of Foreign Afairs (MOFA) said Wednesday.

The report will be officially released at a news conference, chaired by Foreign Minister Fredrick F. Chien, at 1600 Thursday afternoon, the official said.

The official particularly noted that the diplomatic report will narrate fully and clearly the nation's major foreign objectives. The report is somewhat different from a white paper on diplomacy published in other countries as the latter usually focuses on major changes in national diplomatic policy.

The over 300,000 word report, titled "Diplomatic Report—Foreign Relations and Diplomatic Administration," is composed of 12 chapters in two volumes.

The six chapters in the first volume include: Current World Conditions, ROC's Diplomatic Policy, Global Affairs, International Cooperative Projects, and [word indistinct]. The remaining six chapters in the second volume are: Consular Affairs, Files Management and Information Operations, Assets Management and Business Telegrams, Research, Design, Control and Examination, Personnel and Budget.

The 3,000 copies of the first edition will be sold at bookstores around the island, with Chen Chung Book Co. Ltd as the distributor.

The official said the MOFA, expecting the report to be enthusiastically welcomed, plans to publish a second edition soon after all copies of the first edition are sold out, [word indistinct] the report is now expected to be reissued on a yearly basis.

Premier Hao Po-tsun Briefed on Economic Growth

OW2201093693 Taipei CNA in English 0741 GMT 22 Jan 93

[Text] Taipei, Jan. 22 (CNA)— The economic growth for 1993 will be seven percent, higher than 6.1 percent in 1992, an economics official predicted Thursday [21 January].

Kuo Wan-jung, chairwoman of the Council for Economic Planning and Development, also predicted that the gross national product per capita will rise to \$11,057 in 1993 from \$10,196 in 1992.

Kuo said that world economy began to turn around slowly in 1992, and Taiwan's economic performance was better than the other countries.

She noted that domestic economic growth was [figure indistinct] percent in 1992, while foreign trade and industry continued to grow, and tax revenue increased.

She also said that domestic prices remained stable in 1992. Wholesale prices were down about 3.1 percent in 1992 from 1991, while import prices were down 7.3 percent, and export prices were down 5.4 percent.

These figures reflect the largest declines in the past five years, she added.

She said that only consumer price index was up 4.5 percent in 1992, largely because of the hike in food prices. Not counting food prices, however, the consumer price index rose a modest 2.8 percent in 1992.

She also said that exports in 1992 totaled \$81.5 billion, with imports totaling \$72 billion. Taiwan enjoyed a trade surplus of \$9.5 billion in 1992, down 28.8 percent, or \$3.8 billion from 1991.

Kuo made the report on present economic conditions to Premier Hao Po-tsun.

Cross-Strait Trade Continues To Grow

OW2201094093 Taipei CNA in English 0746 GMT 22 Jan 93

[Text] Taipei, Jan. 22 (CNA)—Trade between Taiwan and the China mainland via Hong Kong amounted to \$6.64 billion in the first 11 months of 1992, the Board of Foreign Trade (BOFT) said Thursday [21 January].

The trade represented a big 29.02 postered jump from the year-earlier level.

Board tallies show that Taiwan's exports to the mainland soared 35.28 percent to \$5.62 billion between January and November last year, while imports totaled \$1.02 billion, up a tiny 1.65 percent.

The indirect trade across the Taiwan Strait in the 11month period accounted for 4.7 percent of the country's foreign trade, of which exports made up for 7.5 percent of the total exports and imports took 1.53 percent of the import aggregate, BOFT officials noted.

They pointed out that all the figures are solid evidence of Taiwan's too heavy dependence on export sales to the mainland.

Major export items to the mainland included man-made fibers, cloth, machinery equipment, electronics, and plastic materials, they added.

Meanwhile, the officials warned that domestic manufacturers might face stiff competition from their counterparts from Japan, Korea, Europe, and the United States in their mainland investments.

In addition, they said, the continued devaluation of the renminbi will have an adverse impact on the interests of Taiwan investors.

Domestic businessmen should draw up new strategies for making inroads into the mainland market, they noted

Hong Kong

Man Convicted of Spying for U.S. Returns

HK2201092493 Hong Kong SOUTH CHINA MORNING POST in English 22 Jan 93 p 1

[Report by Kent Chen]

[Text] Veteran Hong Kong journalist Lo Fu returned to the territory yesterday, a decade after being detained in Beijing and accused of spying for the United States.

Lo, 72, was a former editor-in-chief of the pro-Beijing NEW EVENING POST and deputy editor-in-chief of its sister newspaper TA KUNG PAO when he was arrested in June 1982.

Speaking last night after enjoying a Lunar New Year family reunion at his Tin Hau home, Lo said he had been released by mainland authorities because he had served his 10-year term.

"I am a Hong Kong resident," he said. "It is only natural that I should return to my place of residency after serving my term."

Lo sat on the Chinese People's Political Consultative Conference and was a member of the Chinese Communist Party when he was arrested. He was detained during a visit to Guangdong and subsequently convicted in Beijing of spying for the Americans.

Although sentenced to 10 years' imprisonment, Lo was placed on parole a month later and stayed in Beijing under house arrest for the rest of his term.

He was unwilling to discuss his "crimes" last night, saying it was up to other people to make their own judgement about what he had done.

In a report published by TA KUNG PAO soon after his conviction, Lo was quoted as recounting how he had been selling secrets to U.S. intelligence organisations since the mid-1970s.

"The interview was officially arranged," Lo said yesterday. "All I can say now is that the interview was true under the circumstances at that time."

On his living conditions in Beijing, Lo said he had never been put in prison but had lived in a hostel.

He was deprived of his political rights from 1983 to 1986, during which he was not allowed to take part in political elections or publish his writings. But after 1986, he was allowed to publish his writings in China without censorship, and overseas with prior approval.

Near the end of his detention, Lo was allowed to travel to Sichuan, Shanghai, Kunming and his hometown of Guilin.

When he asked to see his son, Lo Hoi-sing, who was jailed in Guangdong from 1990 to 1991 for allegedly

helping Chinese dissidents flee the country, the request was at first turned down, but granted when his son was about to be released.

Commenting on the current situation in China, Lo said he was optimistic that the reforms and open-door policy launched by paramount leader Mr Deng Xiaoping would be good for China, although he admitted that many things were still far from satisfactory.

"During my 10 years in Beijing I could feel that changes were taking place," he said. "I am convinced there will be no return to the old days."

Lo also hoped that the "one country, two systems" policy proposed for Hong Kong after 1997 would be a success so Hong Kong people could continue to enjoy their freedoms.

"I will treasure the freedoms available here and make full use of them to do something." he said, adding that he had no immediate plans although he was most concerned at freedom of the press in Hong Kong.

"Freedom of the press should not only include the right to publish, but also the right not to publish. Both are equally important," he said.

Dissident Dai Qing Discusses Self-Determination

HK2601020793 Hong Kong SOUTH CHINA MORNING POST in English 26 Jan 93 p 6

[Report by Kent Chen]

[Text] Dissident journalist Ms Dai Qing says people in Hong Kong, Taiwan and the mainland should have the right to determine their own future.

Ms Dai, a former reporter for Beijing's GUANGMING DAILY, is on a week-long visit to Hong Kong after a year as a Nieman Fellow at Harvard University.

The outspoken journalist, who spent 10 months in prison after the 1989 pro-democracy movement in Beijing, said Hong Kong Governor Mr Chris Patten's political reform proposals belonged to a new way of thinking of the post-World War II generation.

Ms Dai did not agree with the suggestion that the Patten proposal was part of a Western conspiracy to turn China into a democracy.

"If Chinese leaders take such an approach in handling the matter, it would be difficult for them to solve the current impasse," she added.

Ms Dai said the Governor might be right in putting forward the reform proposals, but if he failed to seek a compromise between his thinking and traditional thinking, conflict would be inevitable. "I am sorry for the people of Hong Kong. They should have the power to make their own decision on the matter. Unfortunately they are trapped between two powers," she said.

Commenting on the pro-independence movement in Taiwan, Ms Dai said their right of self-determination should be respected.

"If they (Taiwan residents) favour independence, that is their choice, and it should be respected. But I would advise them that when they are making that sort of decision, they should consider whether such a move is in the long-term interest of the island," she said.

Ms Dai also urged the Chinese Communist Party to learn from the experience of the Kuomintang (KMT) in coping with crisis.

Following its decline in the 1940s, the KMT introduced a series of reforms after it arrived in Taiwan.

"The KMT made a lot of mistakes in the past. But because of the reforms, it still commands up to 70 percent of popular support in the island today," she said.

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